

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0573-01
Bill No.: HB 87
Subject: Public Assistance; Treasurer, State
Type: Original
Date: February 26, 2007

Bill Summary: This proposals establishes the Needy Persons Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$53,995)	(\$49,740)	(\$51,232)
Total Estimated Net Effect on General Revenue Fund	(\$53,995)	(\$49,740)	(\$51,232)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume the proposal would have no fiscal impact on their agency.

Officials from the **Department of Social Services - Division of Budget & Finance (DBF)** state the DBF will be responsible for tracking and monitoring the fund balance as well as submitting annually budget requests from this fund. However, the additional responsibility created by this legislation would be negligible to the DBF.

Officials from the **Office of the State Treasurer (STO)** state they only ensure the disbursements are made from a lawful appropriation and don't exceed the amount of the appropriation. The STO suggests the following wording change: "The state treasurer shall be custodian of the fund. In accordance with Sections 30.170 and 30.180 RSMo, the state treasurer may approve disbursements"

If the wording isn't changed, STO will need an FTE (Accounting Specialist I - \$39,324 plus \$17,762 fringe = \$57,086) to monitor these disbursements. (This will be allocated proportionately as a retention of interest earnings on state funds in accordance with Section 30.605 RSMo)

Oversight has, for fiscal note purposes only, changed the starting salary for the STO position to correspond to the first step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Costs - Office of the State Treasurer</u>			
Personal Services	(\$33,038)	(\$34,029)	(\$35,050)
Fringe Benefits	(\$14,953)	(\$15,402)	(\$15,864)
Equipment and Expense	<u>(\$6,004)</u>	<u>(\$309)</u>	<u>(\$318)</u>
<u>Total Costs - STO</u>	<u>(\$53,995)</u>	<u>(\$49,740)</u>	<u>(\$51,232)</u>
FTE Change - STO	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$53,995)</u>	<u>(\$49,740)</u>	<u>(\$51,232)</u>
Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE
 <u>FISCAL IMPACT - Local Government</u>	 FY 2008 (10 Mo.)	 FY 2009	 FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This legislation creates the Needy Persons Fund in the state treasury which will consist of money received from contributions, donations, gifts, bequests, grants, and any other sources granted or given to the fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Revenue
Department of Social Services
Office of the State Treasurer

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
February 26, 2007