

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6624-02
Bill No.: HB 2630
Subject: Employees - Employers; Economic Development, Department of
Type: Original
Date: March 11, 2016

Bill Summary: This proposal establishes a job training program for persons of low and moderate income.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	\$0	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue	\$0	\$0 to (Unknown)	\$0 to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials at the **Office of Administration's Division of Budget and Planning (BAP)** assume the proposed legislation would require the Department of Economic Development (DED) to establish a job training program for low to moderate income individuals, which would be subject to appropriation. BAP defers to DED for more specific fiscal impacts.

Officials at the **Office of the State Treasurer** assume no fiscal impact from this proposal to their organization.

Oversight assumes the Department of Economic Development will see an impact to administer the training program outlined in this proposal. Therefore, Oversight will show the fiscal impact as \$0 to an Unknown amount starting in FY 2018 as this proposal becomes effective January 1, 2018.

<u>FISCAL IMPACT - State Government</u>	FY 2017	FY 2018	FY 2019
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GENERAL REVENUE

Cost - DED - administration of training program	\$0	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2017	FY 2018	FY 2019
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

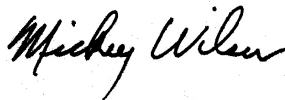
This bill requires the Department of Economic Development to establish and market a job training program for individuals of low and moderate income. The program must provide necessary training that allows the participant to find gainful employment on a state funded project in Missouri.

The bill requires the department to prepare and submit an annual report to the General Assembly which includes the recruitment process, the success of the program, and the number of participants that have completed the program. The provisions of this section will become effective on January 1, 2018.

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

SOURCES OF INFORMATION

Office of Administration's Division of Budget and Planning
Office of the State Treasurer



Mickey Wilson, CPA
Director
March 11, 2016

Ross Strobe
Assistant Director
March 11, 2016