

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1367-01  
Bill No.: HB 618  
Subject: Children and Minors; Taxation and Revenue - Sales and Use  
Type: Original  
Date: February 3, 2017

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Bill Summary: This proposal prohibits a community children's services fund from transferring any funds to the state or certain counties.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Distribution increases (decreases) net to zero.

## FISCAL ANALYSIS

### ASSUMPTION

Officials at **St. Louis County** assume the County would experience a loss of \$1,600,000 for much needed programs from this proposal.

- (\$200,000) Nurse Family Partnership - This program fosters long term success for first time moms, their babies and society. Nurse Family pairs vulnerable first time parents with maternal and child health nurses. This program allows nurses to deliver the support first time moms need to have a healthy pregnancy, become knowledgeable and responsible parents, and provide their babies with the best possible start in life. The relationship between mother and nurse provides the foundation for strong families, and lives are forever changed for the better.
- (\$900,000) Center for Youth on the Rise - Youth can access services at the center in North County, at Maplewood Doors to Success, and alternative education sites. Services include: a drop in program; emergency support; counseling; strength based assessment and care planning; collaborative case management; therapy groups, high school equivalency classes; life skills groups; leadership and resiliency training; job search assistance; and direct access to substance abuse services, legal services and preventive healthcare.
- (\$500,000) Kathy J. Weinman Shelter - The project is designed to help families begin their healing process after experiencing intimate partner violence by providing safe shelter and comprehensive therapeutic services. The shelter provides the following: safe and secured living quarter; ninety day shelter stay, three nutritious meals daily; access to personal care products; access to healthcare and transportation assistance. The counseling services provide: individual, family and group counseling; bio-psycho assessments; identifying feelings; identifying and implementing appropriate coping, communication and resiliency skills; and advocacy.

Officials at the **Department of Social Services**, the **State Tax Commission** and the **Department of Mental Health** each assume no fiscal impact to their respective agencies from this proposal.

In response to similar legislation from 2016, HB 2357, officials at the **Department of Revenue** assumed no fiscal impact from this proposal.

ASSUMPTION (continued)

**Oversight** inquired the Director of the Children’s Services Fund (CSF). The fund allocates approximately \$51 million in funds to programs each year. Part of the funds are allocated to the St. Louis County departments. There is an application process for funding and anyone can apply. The board reviews applications of those applying for funding and makes sure the criteria in current statute is met before awarding funds. The funds are then awarded by the board.

The proposal states “No funds generated under section 210.860 or 67.1775 shall be transferred by the Children’s Services Fund board of any county with a charter form of government and with more than nine hundred fifty thousand inhabitants to the state or to such county.” Oversight assumes this county referred in this proposal is St. Louis County. Oversight assumes county departments would lose out on this funding and there would also be an offsetting savings on expenses of the programs that utilized this funding. This should net to zero. Oversight assumes the CSF would reallocate the funds to other agencies (non-St. Louis County) who apply and meet the criteria in statute. Therefore, Oversight will reflect a loss in county funds and a savings in county expenditures netting to \$0 for this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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**ST. LOUIS COUNTY FUNDS**

<u>Savings</u> - on expenditures to operate programs awarded from CSF	\$1,600,000 to Unknown	\$1,600,000 to Unknown	\$1,600,000 to Unknown
<u>Loss</u> - to County Departments who receive funding from the CSF	(\$1,600,000 to <u>Unknown</u> )	(\$1,600,000 to <u>Unknown</u> )	(\$1,600,000 to <u>Unknown</u> )

<b>ESTIMATED NET EFFECT ON ST. LOUIS COUNTY FUNDS</b>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></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.

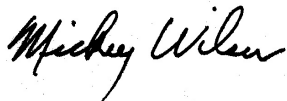
### FISCAL DESCRIPTION

This bill prohibits funds in the St. Louis County Community Children's Services Fund from being transferred by the Children's Services Fund Board to the state or to St. Louis County.

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

St. Louis County  
Department of Social Services  
Department of Mental Health  
State Tax Commission  
Department of Revenue



Mickey Wilson, CPA  
Director  
February 3, 2017

Ross Strobe  
Assistant Director  
February 3, 2017