

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1971-02
Bill No.: Perfected HCS for HB Nos. 960, 962 & 828
Subject: Department of Social Services; Public Assistance; Children and Minors; Office of Administration
Type: Original
Date: April 19, 2017

Bill Summary: This proposal establishes the Social Innovation Grant Program to find alternative solutions for serving the state’s vulnerable populations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue Fund	(\$106,945)	(Unknown, greater than \$123,884)	(Unknown, greater than \$125,262)
Total Estimated Net Effect on General Revenue	(\$106,945)	(Unknown, greater than \$123,884)	(Unknown, greater than \$125,262)

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

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 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Commissioners Office (OA)** assume 1 FTE, an Executive Director (\$74,000/annually), would need to be hired to meet the obligations outlined in this proposal. The new FTE would need computer equipment, phones and network services. The office would also need a printer, copier, fax machine, etc.

In response to a previous version, officials from the **Office of the Governor** assumed section 37.940 establishes the "Social Innovation Grant Program" to which the Governor shall appoint an executive director to oversee the program. Any costs associated with the Executive Director will be addressed in the OA's fiscal note response. There should be no added cost to the Governor's Office as a result of this measure. However, if additional duties are placed on the office related to appointments in other TAFP legislation, there may be the need for additional staff resources in future years.

Officials from the **Department of Corrections (DOC)** assume a \$0 impact on this legislation.

Officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the Secretary of State's Office for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Joint Committee on Administrative Rules** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Department of Social Services**, the **Department of Health and Senior**

ASSUMPTION (continued)

Services, the Missouri House of Representatives and the Office of the Lieutenant Governor each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Department of Mental Health** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal from this year (HB 828), officials from the **Missouri Senate** assumed the proposal will have no fiscal impact on their respective organizations.

Since the dollar amount and the number of grants to be awarded to nonprofit organizations are unknown, for fiscal note purposes, **Oversight** will reflect a negative unknown fiscal impact to the General Revenue Fund for FY 2019 and FY 2020.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE FUND			
<u>Cost - OA</u>			
Personal Service	(\$61,667)	(\$74,740)	(\$75,487)
Fringe Benefits	(\$26,954)	(\$32,566)	(\$32,788)
Equipment and Expense	(\$18,324)	(\$16,578)	(\$16,987)
Social Innovation Grants	\$0	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Total Cost - OA</u>	<u>(\$106,945)</u>	<u>(Unknown,</u> <u>greater than</u> <u>\$123,884)</u>	<u>(Unknown,</u> <u>greater than</u> <u>\$125,262)</u>
FTE Change - OA	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$106,945)</u>	<u>(Unknown,</u> <u>greater than</u> <u>\$123,884)</u>	<u>(Unknown,</u> <u>greater than</u> <u>\$125,262)</u>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

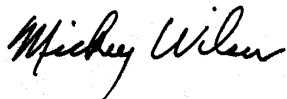
FISCAL DESCRIPTION

This proposal establishes the Social Innovation Grant Program to find alternative solutions for serving the state's vulnerable populations.

This legislation is not federally mandated, could duplicate parts of the Alternatives for Abortion program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Office of Administration
Department of Health and Senior Services
Office of the Governor
Office of the Lieutenant Governor
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Corrections
Missouri Senate
Missouri House of Representatives
Department of Mental Health



Mickey Wilson, CPA
Director
April 19, 2017

Ross Strope
Assistant Director
April 19, 2017