

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4399H.01I  
Bill No.: HB 2585  
Subject: Public Assistance; Disabilities  
Type: Original  
Date: February 13, 2024

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Bill Summary: This proposal modifies provisions relating to blind pensions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
Blind Pension (0621)*	\$147,105	\$176,526	\$176,526
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$147,105</b>	<b>\$176,526</b>	<b>\$176,526</b>

\*Cost avoidance if the Department of Social Services can send notices to the applicants and/or recipients by regular mail instead of certified mail.

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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 \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

§209.030 – Removes certified mail requirement for blind pension.

Officials from the **Department of Social Services, Family Support Division (DSS/FSD)** state as follows:

The requirement to send communications to Blind Pension (BP) participants via certified mail became effective August 28, 2018. The certified mailing processes were temporarily halted in April 2020 under the DSS Director’s Order dated March 25, 2020 due to COVID guidelines and restrictions. For this reason, FY 19 data is used in this analysis. In FY 19, FSD sent 21,641 pieces of certified mail to BP participants.

Effective January 2024, the cost of certified mail is \$8.73 per piece. Therefore, the estimated cost to mail 21,641 pieces of certified mail is \$188,926 (21,641 \* \$8.73= \$188,925.93, rounded up). If the provisions of this legislation are enacted, FSD would continue to incur regular postage costs for any communications sent to Blind Pension participants. The cost of postage is \$0.573 per mailing for first class mail effective January 2024. The estimated cost to mail 21,641 pieces of mail at the first class rate would be \$12,400 (21,641\* 0.573 = 12,400.29, rounded down).

Funds were not allocated to FSD for the costs incurred as a result of the requirement to send communications to BP participants via certified mail. Therefore, FSD redirected funds from case management activities for this purpose. FSD would realize a cost avoidance of \$176,526 (\$188,926 - \$12,400 = \$176,526). If the provisions of this legislation are enacted, FSD would redirect these funds back to case management activities. Therefore, there is no fiscal impact to FSD.

**Oversight** notes the Blind Pension program receives no federal funds. DSS assumes savings from a reduction in certified mail costs (administrative activity) will be redirected to other activities. Oversight will show the estimated savings provided by DSS/FSD to the Blind Pension Fund. Oversight notes subsection 209.030.3 was added in 2018 with HCS for HB 2171.

<u>FISCAL IMPACT – State Government</u>	FY 2025	FY 2026	FY 2027
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	(10 Mo.)		
<b>BLIND PENSION FUND (0621)</b>			
<u>Savings</u> - DSS (§209.030) - Savings on certified mail costs p. 3	<u>\$147,105</u>	<u>\$176,526</u>	<u>\$176,526</u>
<b>ESTIMATED NET EFFECT ON THE BLIND PENSION FUND</b>	<b><u>\$147,105</u></b>	<b><u>\$176,526</u></b>	<b><u>\$176,526</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

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

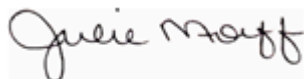
FISCAL DESCRIPTION

This bill removes a requirement that any notice sent to an applicant or recipient of Blind Pension funds must be sent by certified mail. Instead, the bill allows the notice to be sent by any mail delivered by the United States Postal Service (§209.030).

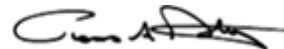
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services



Julie Morff  
 Director  
 February 13, 2024



Ross Strobe  
 Assistant Director  
 February 13, 2024