

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1852-01  
Bill No.: HB 962  
Subject: Department of Social Services; Children and Minors; Office of Administration  
Type: Original  
Date: February 27, 2017

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue Fund	(\$106,945)	(Unknown, greater than \$123,884)	(Unknown, greater than \$125,262)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$106,945)</b>	<b>(Unknown, greater than \$123,884)</b>	<b>(Unknown, greater than \$125,262)</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>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
General Revenue	1 FTE	1 FTE	1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>	<b>1 FTE</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>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 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.

Officials from the **Office of the Governor** assume 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.

In response to a similar proposal from this year (HB 960), officials from the **Department of Corrections (DOC)** assumed if this proposal is implemented, this legislation has potential for a positive impact by reducing recidivism. However, the DOC how this cannot estimate the specific fiscal impact at this time and assumes a \$0 impact on this legislation.

Officials from the **Office of the Secretary of State (SOS)** assume 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.

ASSUMPTION (continued)

Officials from the **Department of Social Services**, the **Department of Health and Senior Services**, the **Missouri Senate** and the **Office of the Lieutenant Governor** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 828), officials from the **Missouri House of Representatives** 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 a nonprofit organization is 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
<b>GENERAL REVENUE FUND</b>			
<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 Grant	\$0	(Unknown)	(Unknown)
<u>Total Cost - OA</u>	<u>(\$106,945)</u>	<u>(Unknown, greater than \$123,884)</u>	<u>(Unknown, greater than \$125,262)</u>
FTE Change - OA	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$106,945)</u></b>	<b><u>(Unknown, greater than \$123,884)</u></b>	<b><u>(Unknown, greater than \$125,262)</u></b>
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.

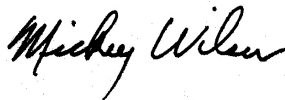
FISCAL DESCRIPTION

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



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February 27, 2017

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