

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5241-02
Bill No.: SB 1145
Subject: Military Affairs; National Guard; Public Safety Department
Type: Original
Date: March 24, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
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 2007	FY 2008	FY 2009
Federal Funds	(\$360,555)	(\$350,000)	(\$350,000)
Total Estimated Net Effect on <u>All</u> Federal Funds*	(\$360,555)	(\$350,000)	(\$350,000)

* Subject to appropriation

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Adjutant General** assume the proposal will not fiscally impact their agency.

Officials from the **Department of Economic Development - Division of Workforce Development (DED)** state the accounting staff needed; at the state (1), regional (4), and subcontractor (4) level to perform accounting functions estimated to take approximately four hours per month. The monitoring staff at the state (2) and regional (1) level will need to perform programmatic and financial monitoring on-site annually is estimated to take 40 hours per year per staff. 80 hours of programming is required to enable tracking of participants and costs associated in the State Toolbox system. If current service providers in place are not acceptable for the Guard at Home, 80 hours at the four regional levels will be needed to develop and award the request for proposal (RFP).

DED estimates the cost of .21 FTE Accountant IIs and .31 FTE Senior Auditor for all three fiscal years to be \$21,439 in FY 2007, \$25,465 in FY 2008 and \$26,102 in FY 2009. DED also estimates programming costs of \$2,480 and cost associated with developing and awarding the RFP of \$8,075, each in FY 2007. DED assumed the anticipated costs would be paid from Federal Funds.

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ASSUMPTION (continued)

Oversight assumes DED will incur the programming and RFP expense in FY 2007, but will be able to administer the program with existing resources.

The House Committee Substitute for HB 1007 from this year contains an appropriation (Section 7.132) to transfer federal funds to the Guard at Home fund in the amount of \$350,000.

Therefore, **Oversight** will show an annual appropriation from federal funds in the amount of \$350,000 for this program. Actual appropriations could vary.

<u>FISCAL IMPACT - State Government</u>	FY 2007	FY 2008	FY 2009
FEDERAL FUNDS			
<u>Costs - Department of Economic Development</u>			
Programming and RFP costs	(\$10,555)	\$0	\$0
<u>Costs - Department of Economic Development</u>			
Guard at Home appropriation	<u>(\$350,000)</u>	<u>(\$350,000)</u>	<u>(\$350,000)</u>
ESTIMATED NET EFFECT TO THE FEDERAL FUNDS*	<u>(\$360,555)</u>	<u>(\$350,000)</u>	<u>(\$350,000)</u>

* **Subject to appropriation.**

<u>FISCAL IMPACT - Local Government</u>	FY 2007	FY 2008	FY 2009
	<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.

DESCRIPTION

This proposal creates the "Guard at Home" program to assist families of members who have been deployed for active duty with financial and employment needs, and to assist returned guard members with employment and training needs so that they may reenter the workforce. The Department of Economic Development will enter into a contract with a qualified provider, as provided in this act, to implement the program. The provider shall be an accredited community-based not for profit agency with experience in job training and social services to veterans and veterans organizations, that is able to provide certain matching funds to the program, and that has a substantial presence and experience in certain areas of the state.

Eligible families will be those in which the primary income-earner was called to active duty for more than four months, and who suffer financial hardships due to a lack of outside resources.

Services under the program may include various forms of financial assistance, vocational evaluations, counseling and training, paid internships or subsidized employment, and other job placement assistance.

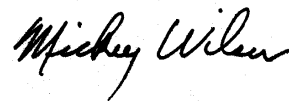
The department shall make efforts to ensure the program is servicing at least 100 families in the specified areas by August 1, 2006, and shall prepare a report on the progress of the program by January 1, 2007. General sunset provisions shall apply to this new program.

This act has an emergency clause which states it will go into effect on July 1, 2006.

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 Economic Development
Office of the Adjutant General



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