

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3796-01
BILL NO.: SB 935
SUBJECT: Disabilities; Public Assistance
TYPE: Original
DATE: February 21, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$0	(\$900,000)	(\$400,000)
Home Access Grant	\$0	\$0	\$0
Assistive Technology Loan Revolving	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	(\$900,000)	(\$400,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

*Net of income and transfer to Assistive Technology Loan Revolving Fund

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations (DOL)** assume the proposed legislation would involve the development of a grant program projected with an average grant of \$5,000 (range of \$2,000 to \$10,000), with an estimated 50 individuals receiving grants per year, for a total of \$250,000. No new staff would be required. An FY 02 decision item for state general revenue would be developed for operational costs (about \$150,000 annually). A one-time state appropriation of matching dollars (up to \$500,000 if that is the federal amount available) for the loan program would be developed as an FY 02 decision item. Costs projected are based on experience of other states currently operating low interest loan and grant programs and the requirements of Title III of the AT Act regarding program parameters.

Officials from the **Office of the Secretary of State (SOS)** assume the proposed legislation would assume the proposed legislation would require the printing of additional pages in the *Missouri Register* and the *Code of State Regulations* and have estimated a publishing cost of \$482 for FY 01. Additionally, future costs are unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

While this bill alone would not require SOS to acquire additional staff, SOS assumes the cumulative effect of other bills that require rulemaking may, in the aggregate, necessitate additional staff.

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 appropriations process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of Administration (COA)** and the **Office of the State Treasurer (STO)** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Revenue (DOR)** did not respond to our fiscal note request, but Oversight assumes the DOR would have no fiscal impact.

L.R. NO. 3796-01
 BILL NO. SB 935
 PAGE 3 OF 6
 February 21, 2000

FISCAL IMPACT - State Government FY 2001 FY 2002 FY 2003
 (10 Mos.)

GENERAL REVENUE FUND

Costs - Department of Labor and Industrial Relations (DOL)

Transfer to Home Access Grant Fund	\$0	(\$400,000)	(\$400,000)
Transfer to Assistive Technology Loan Revolving Fund	0	(500,000)	0
Total <u>Costs</u> - DOL	\$0	(\$900,000)	(\$400,000)

ESTIMATED NET EFFECT TO GENERAL REVENUE FUND **\$0** **(\$900,000)** **(\$400,000)**

HOME ACCESS GRANT FUND

Income- Department of Labor and Industrial Relations (DOL)

Appropriation from General Revenue Fund	\$0	\$400,000	\$400,000
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Costs - DOL

Expense	\$0	(\$150,000)	(\$150,000)
Grants	0	(250,000)	(250,000)
Total <u>Costs</u> - DOL	\$0	(\$400,000)	(\$400,000)

ESTIMATED NET EFFECT TO HOME ACCESS GRANT FUND **\$0** **\$0** **\$0**

FISCAL IMPACT - State Government FY 2001 FY 2002 FY 2003

(10 Mos.)

**ASSISTIVE TECHNOLOGY LOAN
 REVOLVING FUND**

Income- Department of Labor and Industrial
 Relations (DOL)

Appropriation from General Revenue Fund	\$0	\$500,000	\$0
Appropriation of Federal Funds	\$0	\$500,000	\$0
Loan Repayments	\$0	\$0	Unknown

Costs - DOL

Loans	\$0	(\$1,000,000)	Unknown
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**ESTIMATED NET EFFECT TO
 ASSISTIVE TECHNOLOGY LOAN
 REVOLVING FUND**

\$0	\$0	\$0
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FEDERAL FUNDS

Income - Department of Labor and Industrial
 Relation (DOL)

Matching Grant from Federal Government	\$500,000
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Costs - Department of Labor and Industrial
 Relations (DOL)

Expense - Transfer to Assistive Technology Loan Fund	\$0	(\$500,000)	\$0
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**ESTIMATED NET EFFECT TO
 FEDERAL FUNDS**

\$0	\$0	\$0
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FISCAL IMPACT - Local Government

FY 2001
 (10 Mos.)

FY 2002

FY 2003

\$0	\$0	\$0
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FISCAL IMPACT - Small Business

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

DESCRIPTION

The act requires the Missouri Assistive Technology Council to establish an Assistive Technology Loan Program.

The Council shall spend available moneys in four equal shares each quarter to ensure that the loan program will provide loans throughout the entire fiscal year. The act creates the "Assistive Technology Loan Revolving Fund", which shall be used to fund the Assistive Technology Loan Program.

The interest rates for loans shall be lower than comparable commercial lending rates and shall be established by the Council based on the borrower's ability to pay. Loans may be made with no interest. Loan repayment periods shall not exceed ten years.

The Council shall promulgate rules to implement the program and file annual reports with the Governor and General Assembly.

The Council shall also establish a Home Access Grant Program to provide financial assistance to persons with disabilities. The Council shall adopt rules to implement the Home Access Grant Program. The "Home Access Grant Fund" is created and shall be used to fund the Home Access Grant Program.

Grants may be made for:

- (1) Structural access modifications to a home; and
- (2) Assistive technology devices and services which will assist one or more persons with disabilities to live more independently in their home.

This legislation would not duplicate any other program and would not require additional capital improvements or rental space. However, the loan component of the proposal is federally mandated. The low interest loan program is designed to implement Title III of the Assistive Technology Act of 1998 (P.L. 105-394). Title III provides for matching federal funds for states to establish no-interest or low-interest loans for the purchase of assistive technology. Each state may access \$500,000 for program start-up. This is the first year that Title III dollars have been available to states. The grant portion of this bill is a new program that is not federally mandated.

DESCRIPTION (continued)

This proposal would not affect Total State Revenues.

L.R. NO. 3796-01
BILL NO. SB 935
PAGE 6 OF 6
February 21, 2000

SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Office of the Secretary of State
Office of Administration
Office of the State Treasurer
Department of Revenue

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
February 21, 2000