

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2029-01
Bill No.: HB 633
Subject: Administration, Office of; Economic Development Dept.; Family Services
 Division; Social Services Dept.
Type: Original
Date: April 4, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	\$0*	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	\$0*	\$0	\$0

* FY 04 transfer between the Departments of Social Services and Economic Development nets to \$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway Fund	\$0*	\$0	\$0
Other Funds	0*		
Total Estimated Net Effect on Other State Funds	\$0*	??	??

* FY 04 transfers between the Departments of Public Safety, Transportation, Social Services and Economic Development net to \$0.

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Federal Funds	0*	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0*	\$0	\$0

* FY 04 transfers between the Departments of Public Safety, Transportation, Social Services and Economic Development net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor, Department of Public Safety - Division of Highway Safety**, and **Office of State Treasurer** state the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Transportation** assume the proposal will have no additional impact since both the appropriations and the functions are being transferred to the Missouri Highways and Transportation Commission (MHTC).

Oversight inquired of the Department of Public Safety (DPS)- Division of Highway Safety and determined that \$506,178 in Highway funding and \$512,228 in Federal funding was transferred from DPS to the Department of Transportation (DOT) for funds related to the transfer of the Division of Highway Safety to the DOT. In addition, \$19,404,000 in federal grants attributable to Highway Safety will be transferred from DPS to DOT. **Oversight** will present the transfer of Highway and Federal funds between departments for fiscal note purposes.

ASSUMPTION (continued)

Officials from the **Department of Economic Development (DED)** state all necessary transfers to appropriations were included in the FY 04 Executive Budget. The proposal will have no additional cost to the DED.

Officials from the **Department of Social Services** state the proposal will have no fiscal impact on the DOS. The proposal changes “Family Support Division” to “Division of Family Support” and “Children’s Division” to “ Division of Children.”

Oversight inquired of the Department of Social Services (DOS) and determined that \$2,000,000 in General Revenue funding and \$19,201,071 in Federal funding was transferred from DOS to the Department of Economic Development (DED) - Division of Workforce Development for funds related to the transfer of the Parent’s Fair Share Program, Temporary Assistance for Needy Families (TANF) work-related functions, and Missouri Employment Training. In addition, \$460,493 in Child Support Enforcement Collections (Other Funds) was transferred from DOS to DED. **Oversight** will present the transfer of General Revenue, Other Funds, and Federal funds between departments for fiscal note purposes.

Officials from the **Office of Administration (OA) - Deputy Commissioner’s Office** state this proposal will require one (1) Senior Office Support Assistant for clerical assistance to the

Commissioners. The Commission could use an existing conference room in the Harry S. Truman State Office Building.

The Commissioners that are appointed by the Governor shall receive a \$35 per day per diem and reimbursement of actual and necessary expenses. The Commissioners that are legislative members are entitled to receive the per diem, mileage and travel allowances paid to members of the general assembly serving on interim committees. The legislative per diem is \$75.20 per day.

The Missouri Minority Business Advocacy Commission’s (MMBAC) website indicates at least three (3) meetings per year, in Jefferson City, and lasting one (1) day each. Preparation time for each meeting is estimated to be two (2) hours and the total average hourly time commitment per month is estimated to be four (4) hours. Based on the Missouri Minority Business Advocacy Commission’s website information, each commission member spends eight (8) hours in attendance for each meeting and two (2) hours preparing for the meeting, and an average commitment of four (4) hours per month on Commission-related duties. The estimated time per commission member is 78 hours per year [(8 ASSUMPTION (continued)

hours attendance + 2 hours preparation) X 3 meetings per year + (4 hours per month X 12 months)]. 78 hours per year is equivalent to 10 days per year. Therefore, the anticipated per

diem cost of this proposal is \$350 per year per appointed commission member (10days @ \$35 per diem = \$350/year) and \$752 per year per appointed legislative commission member (10 days @ \$75.20 per diem = \$752/year).

The OA - Deputy Commissioner's Office anticipates a total cost for the proposal of \$39,959 for FY 04, \$40,057 for FY 05, and \$41,108 for FY 06.

Oversight inquired of the Department of Economic Development (DED), the current provider of administrative support for the MMBAC, and learned that the MMBAC has been relatively inactive for approximately two to three years. The DED stated there has been little to no support provided to the MMBAC nor expenses paid on their behalf.

Oversight reviewed the mission of the Office of Administration's Office of Equal Opportunity and found their Supplier Diversity Program to be closely aligned with the MMBAC. **Oversight** assumes the provisions of the proposal will not directly increase the level of output produced by the MMBAC. Therefore, **Oversight** assumes the Office of Administration can absorb any additional impact resulting from passage of this proposal. **Oversight** further assumes OA could request additional funds through the appropriations process if/when the activity level of the MMBAC dictates such need.

FISCAL IMPACT - State Government

FY 2004
(10 Mo.)

FY 2005

FY 2006

GENERAL REVENUE

Transfer-In - Department of Economic
 Development

Transfer of funds related to TANF work- related functions	\$2,000,000	\$0	\$0
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Transfer-Out - Department of Social
 Services

Transfer of funds related to TANF work- related functions	(\$2,000,000)	\$0	\$0
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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HIGHWAY FUND

Transfer-In - Department of
 Transportation

Personal service costs	\$360,279	\$0	\$0
Expense and equipment	<u>\$145,899</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Transfer-In</u> - Department of Transportation	<u>\$506,178</u>	<u>\$0</u>	<u>\$0</u>

Transfer-Out - Department of Public
 Safety

Personal service costs	(\$360,279)	\$0	\$0
Expense and equipment	<u>(\$145,899)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Transfer-Out</u> - Department of Public Safety	<u>(\$506,178)</u>	<u>\$0</u>	<u>\$0</u>

ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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FEDERAL FUNDS

Transfer-In - Department of
 Transportation

Personal service costs	\$438,207	\$0	\$0
Expense and equipment	<u>\$74,021</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Transfer-In</u> - Department of Transportation	<u>\$512,228</u>	<u>\$0</u>	<u>\$0</u>

Transfer-In - Department of Economic
 Development

Transfer of funding for Parent's Fair Share, TANF work-related functions and employment training	<u>\$19,201,071</u>	<u>\$0</u>	<u>\$0</u>
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Transfer-Out - Department of Public
 Safety

Personal service costs	(\$438,207)	\$0	\$0
Expense and equipment	<u>(\$74,021)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Transfer-Out</u> - Department of Public Safety	<u>(\$512,228)</u>	<u>\$0</u>	<u>\$0</u>

Transfer-Out - Department of Social
 Services

Transfer of funding for Parent's Fair Share, TANF work-related functions and employment training	<u>(\$19,201,071)</u>	<u>\$0</u>	<u>\$0</u>
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**ESTIMATED NET EFFECT ON
 FEDERAL FUNDS** \$0 \$0 \$0

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<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 contains various provisions relating to the reorganization of executive branch departments.

MINORITY BUSINESS ADVOCACY COMMISSION

Currently, the Department of Economic Development provides administrative support and staff for the Minority Business Advocacy Commission. The proposal requires the Office of Administration to provide support to the commission, instead of the department.

MOTORCYCLE SAFETY TRUST FUND

Currently, the Department of Public Safety administers the Motorcycle Safety Trust Fund. The proposal transfers administration of the fund to the State Highways and Transportation Commission.

DEPARTMENT OF SOCIAL SERVICES

The proposal eliminates the Division of Family Services within the Department of Social Services and replaces it with the Division of Family Support and the Division of Children. The Division of Family Support is responsible for certain functions of the Division of Child Support Enforcement, as well as the public assistance functions of the Division of Family Services. The Division of Children is responsible for child welfare matters, including child protection, early childhood, and child care assistance.

Currently, the Division of Family Services is responsible for the assessment of skills, work experience, and employability for recipients of Temporary Assistance for Needy Families. Those responsibilities and the Division of Family Services' job training responsibilities are transferred to the Division of Workforce Development within the Department of Economic Development.

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

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Office of the Governor
Office of Administration -
 Deputy Commissioner's Office
Department of Economic Development
Department of Transportation
Department of Social Services
Department of Public Safety -
 Division of Highway Safety
Office of State Treasurer



MICKEY WILSON, CPA
DIRECTOR
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