

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2300-01
Bill No.: HB 987
Subject: Elderly; Social Services Department
Type: Original
Date: April 5, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - Division of Aging (DA)** state that with this proposal, state funds appropriated for nutrition services and home-delivered meals for the elderly would be distributed to the area agencies on aging (AAA) based on the actual number of meals served in each area during the previous year.

The DA assumes there would be no fiscal impact on their agency related to changing the method for distributing state funds for nutrition services and home-delivered meals for the elderly to the AAA.

The DA states that changing the method used to distribute state funds for nutrition services and home-delivered meals for the elderly to the AAAs would affect the three (3) AAAs which are a part of a local government entity; Mid America Regional Council, St. Louis Area Agency on Aging, and the Region X Area Agency on Aging.

In it's report, Program Evaluation: Area Agencies on Aging Congregate and Home-Delivered Meal Program, **Oversight** reported on the differences in per-meal funding to the ten Missouri AAAs. Currently, the state funding for these two meal programs is allocated to the AAAs based upon the population of elderly residents within the service area only, and does not take into consideration the actual number of meals served. The ten AAAs in Missouri are locally controlled and operated organizations which may be part of local government, regional Councils of Government, or independent nonprofit organizations.

Oversight assumes this proposal would allow state funds, appropriated to the Division of Aging for congregate and home-delivered meals at the ten AAAs in Missouri, to be allocated on a new basis. Oversight assumes this would not increase or decrease the amount of state funding into the program. It would, however, allocate meal appropriations to the ten AAAs in Missouri on the actual number of meals served by the AAA in the previous year, instead of the current allocation method based solely on population totals within the AAA area. This would cause some AAAs to receive more funding in the future budget years, and some AAAs to receive less funding in future budget years.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

Area Agencies on Aging *

\$0

\$0

\$0

*** A change in the allocation basis for meal programs, would result in some AAAs receiving more funding and some AAAs receiving less funding in the future fiscal years, but would result in a net \$0 effect.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

Currently, funds appropriated for providing congregate and home-delivered meals for the elderly are allocated to the Division of Aging and distributed to area agencies on aging on a population-based formula. This proposal removes the population-based formula distribution method for state funding and replaces it with an allocation based on the actual number of meals served in each area during the previous fiscal year.

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
Division of Aging



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Director

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