

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-3694/3	Introduction Number SB-344	
Description family navigator program in the Division of Vocational Rehabilitation in the Department of Workforce Development and making an appropriation		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445 (5) (cu)		
Agency/Prepared By DWD/ Thomas Goodwyn (608) 267-9058	Authorized Signature Danielle Williams (608) 266-2284	Date 8/26/2019

Fiscal Estimate Narratives

DWD 8/26/2019

LRB Number	19-3694/3	Introduction Number	SB-344	Estimate Type	Original
Description family navigator program in the Division of Vocational Rehabilitation in the Department of Workforce Development and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Workforce Development (DWD) to create a family navigator program that provides direct services to eligible individuals and their families, which may include: providing training to increase self-service and self-sufficiency for individuals and their families; providing referrals to programs and resources; performing outreach activities; and providing support and assistance to individuals accessing programs and resources such as medical assistance, vocational rehabilitation services, employment training, coordinated services, Wisconsin Works, Wisconsin Shares, heating assistance, housing assistance, and assistance in accessing programs and resources provided by counties. Direct services must use a delivery model that accommodates the needs of eligible individuals and their families in a culturally competent manner.

DWD is required to coordinate with the Department of Children and Families, the Department of Health Services, and the Department of Public Instruction to identify potentially eligible individuals and families. Eligible individuals must be age 14 to 21. Those individuals who receive supplemental security income and whose family income is at or below 150 percent of the federal nonfarm poverty line shall be given priority.

The following outcomes are the focus of the program: graduation from high school; entering post-secondary education or job training; obtaining competitive integrated employment; and increasing economic self-sufficiency. As written, the eligible individuals and families identified in the bill are not required to apply and be found eligible for vocational rehabilitation services.

Provisions in the bill require DWD to employ a statewide project manager and one family navigator in each local workforce development area with Milwaukee having two navigators, a total of 13.0 FTE positions. The bill provides \$1,085,000 GPR annually to fund the family navigator program and creates a new annual GPR appropriation in the Division of Vocational Rehabilitation (DVR) program, at s. 20.445 (5) (cu) beginning in the 2019-21 biennium. Although the positions are GPR funded, their placement in DVR will make them subject to federal Title 1B regulations that apply to vocational rehabilitation work activities and staffing (34 CFR 361, Subpart B). This topic will be addressed further in this analysis.

The bill also requires DWD to submit an annual report to the Joint Committee on Finance and to the appropriate standing committee. Outcome data for the previous fiscal year must be provided including the number of individuals and families who participated in the program in each local workforce development area, the nature of the services provided, and quantifiable results.

If enacted, the bill would go into effect during the current fiscal year. Therefore, the department has estimated year-one costs for eight months rather than twelve. For the 13.0 FTEs, the salary, fringe, and operational costs, including training and travel is estimated to be \$808,600. There would be estimated one-time costs of \$45,500 to staff the positions, \$15,000 to develop and print publications related to the program, and \$200,000 to enhance existing case management IT infrastructure. In the second year of the biennium, and long-term, the ongoing annual estimated salary, fringe, and operational costs for the 13.0 FTEs would be \$1,319,200.

In addition to the costs for the 13.0 FTE family navigator staff, DWD assumes other statewide staffing resources will be needed to meet the bill's implementation and reporting requirements. Approximately 27 employees, devoting five to 25% of their time will be needed. The department estimates salary, fringe, and operational costs for these activities will be \$427,700 annually. The total annual estimated cost for the family navigator program is \$1,746,900. This exceeds the bill's appropriation amount by \$661,900. The department would need to identify additional non-DVR funding and staffing resources for this gap.

As stated, regulations under 34 CFR 361, Subpart B apply to DVR and all its authorized staff. These regulations affect vocational rehabilitation work activities, staffing, and eligible expenses. Because the family navigator work activities listed in the bill extend beyond vocational rehabilitation, and individuals who are eligible for the family navigator program do not have to apply and be found eligible for vocational rehabilitation services, the proposed family navigator staff and activities would not meet federal Title 1B requirements. Federal DVR revenue would not be available to fund the \$661,900 difference between the estimated cost to implement the bill (\$1,746,900) and the funding provided under the bill (\$1,085,000), and implementing the bill would put DVR out of compliance with federal regulations. DVR is not able to absorb the \$661,900 in unfunded costs.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 19-3694/3		Introduction Number SB-344	
Description family navigator program in the Division of Vocational Rehabilitation in the Department of Workforce Development and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): There would be estimated one-time costs of \$45,500 to staff the positions, \$15,000 to develop and print publications related to the program, and \$200,000 to enhance existing case management IT infrastructure.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$1,297,800	\$
	(FTE Position Changes)	(13.0 FTE)	
	State Operations - Other Costs	449,100	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$1,746,900	\$
B. State Costs by Source of Funds			
	GPR	1,746,900	
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$1,746,900	\$
	NET CHANGE IN REVENUE	\$	\$

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Date

8/26/2019