

FISCAL ESTIMATE FORM

1999 Session

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

LRB # (AA 1 to AB 533 99a0930/1)

INTRODUCTION #AA1, AA2, AA3, AA4 to AB533

Admin. Rule #

Subject

Neighborhood organization incubator grants and performance evaluation of AODA programs

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Increase Existing Appropriation

Increase Existing Revenues

Decrease Existing Appropriation

Decrease Existing Revenues

Decrease Costs

Create New Appropriation

Local: No local government costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

- 5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

s. 20.435(3)(f) and (6)(a)

Assumptions Used in Arriving at Fiscal Estimate:

As originally drafted, AB 533 appropriates \$100,000 GPR to the Department for neighborhood organization incubator grants. The bill also would require DHFS to conduct evaluations of providers or substance abuse intervention and treatment services funded either with Community Aids funds distributed by the Department to counties or with direct categorical grants awarded by the Department. Under the original bill, the cost to the Department to conduct the evaluations would be \$1,768,100 GPR in annual costs and \$176,400 GPR in one time costs.

Assembly Amendment 1 would amend AB 533 to sunset the provisions regarding performance standards and evaluations for DHFS substance abuse programs on June 30, 2003. If the amendment is adopted, AB 533 would create costs to the Department equal to \$176,400 GPR in one time costs, \$1,868,100 GPR in annualized costs through state fiscal year 2003 only, and \$100,000 GPR in annual ongoing costs after FY 2003.

Assembly Amendment 2 would amend AB 533 to require providers of substance abuse services, rather than the Department, to conduct evaluations. If the amendment is adopted, the Department would require an additional 1.0 FTE program and planning analyst 5 position to assist in providing training and technical assistance to providers on meeting performance standards, reviewing the results of evaluations, and making granting decisions to individual providers. The fiscal effect of the amended AB 533 on the Department would total \$149,400 GPR in annual ongoing costs (\$100,000 GPR appropriated for neighborhood organization incubator grants and \$49,400 in position costs) and \$4,900 GPR in one time position costs.

An estimated 390 providers would be covered by AB 533. Seventy six of those providers are owned or operated by counties or other local units of government. It is estimated that it would take providers 192 hours of staff time (160 hours for evaluation staff time, plus 16 hours of supervisory staff time and 16 hours of support staff time) to conduct each evaluation on an annual basis. Based on these estimates, the projected cost per provider for the evaluations would be \$4,500 per year. The Department would allow grantees to pay for evaluation costs from the grant funds received from the Department, which may result in a reduction in funds available for services. A total of \$342,000 in grant funds to local government service providers may be reallocated from services to evaluation costs.

Assembly Amendment 3 would require the Department to give primary consideration, rather than exclusive consideration, to the effectiveness of the services when distributing funds for substance abuse services. If adopted, the amendment would not alter the costs of AB 533 to the Department.

Long-Range Fiscal Implications:

Prepared By: / Phone # / Agency Name

Andrew Forsaith / 266-7684 / DHFS/OSF

Authorized Signature / Telephone No.

John Kiesow, 266-9622

Date

11/10/99

Assembly Amendment 4 makes technical changes to the DHFS portions of the bill and therefore would not alter the costs of AB 533 to the Department.

If all four amendments are adopted, the fiscal effect of amended AB 533 would total \$4,900 GPR in one time position costs, \$100,000 GPR per year for incubator grants on an ongoing basis, and, through FY 2003, \$49,400 GPR in annualized Department position costs for 1.0 FTE.

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

ORIGINAL
 CORRECTED
 UPDATED
 SUPPLEMENTAL

LRB #

Admin. Rule #

INTRODUCTION # AA1, AA 2, AA3, AA4 to AB 533

Subject
 Neighborhood organization incubator grants and performance evaluation of AODA programs

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS

\$ SEE TEXT

\$ SEE TEXT

NET CHANGE IN REVENUES

\$ _____

\$ _____

Prepared By: / Phone # / Agency Name
 Andrew Forsaith / 266-7684 / DHFS/OSF

Authorized Signature/Telephone No.
 John Kiesow, 266-9622

Date
 11/08/99