

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-1603/3

INTRODUCTION # SB 353

Admin. Rule #

Subject

Food Pantry Grant Program

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
 Create New Appropriation

Decrease Costs

Local: No local government costs

- | | | |
|--|--|--|
| 1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <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

- GPR
 FED
 PRO
 PRS
 SEG
 SEG-S

Affected Ch. 20 Appropriations

s. 20.435 (3) (fp)

Assumptions Used in Arriving at Fiscal Estimate:

This bill requires the Department to award annual grants to food pantries that meet certain conditions. Twenty-five percent of the total amount appropriated for the grants is to be distributed to qualified rural food pantries in proportion to the number of persons serviced by each of those food pantries. The remainder is to be distributed among qualified food pantries statewide, also in proportion to the number of persons served by each food pantry. No grant may exceed \$15,000. Funding for the food pantry grant program in the amount of \$1,500,000 is provided by the bill in a newly created GPR appropriation.

The Department would have several new responsibilities under the bill which could not be absorbed by current staff. The bill directs DHFS to promulgate any rules necessary to implement the grant program. Prior to promulgating rules, the Department must convene a committee composed of representatives of various hunger prevention organizations and fields to advise the Department regarding the proposed rules. Once the necessary rules have been promulgated, Department staff would develop a grant application form, analyze completed applications and distribute funding to qualified applicants. In addition, staff would be responsible for compiling annual reports written by grant recipients and submitting those reports to the Legislature. Under the bill, each grant recipient is required to submit an annual report which describes how they used their grant award.

Under the bill's eligibility requirements, a food pantry would qualify for a grant award so long as it: (1) applies on an application developed by the department; (2) is a nonprofit organization; (3) distributes food packages directly, without charge, to needy households; (4) does not base food distribution on any criteria other than need of the recipient; (5) is open at least one day per month; and (6) adheres to the United States Department of Agriculture food and safety and food storage standards. There are currently over 800 food pantries in operation across the state which meet these conditions. It is assumed that at least 95 percent (760) of these would apply for the food pantry grant program. Additional eligible pantries would likely be created in response to this new funding source and would also apply for the program. Administering a grant program with over 800 recipients would require 1.0 FTE Program and Planning Analyst 4 and 0.5 FTE Program Assistant 2. These positions would have an annual ongoing cost of \$62,400 and a one-time cost of \$11,000. The bill specifies that the Department may use up to 5 percent (\$75,000) of the appropriated funding for administrative costs.

Long-Range Fiscal Implications:

Prepared By: / Phone # / Agency Name

DHFS/OSF Jason Witt, 266-9364

Authorized Signature / Telephone No.

John Kiesow, Exec. Asst., 266-0667

Date

02/14/00

Technical Note Regarding LFB# 99-1603/3: Food Pantry Grant Program

The bill allows the Department to use up to 5% (\$75,000) of the total amount appropriated for the food pantry grant program for administrative costs. Nonetheless, the bill places all of the funding (\$1,500,00) into a single aids appropriation (s.20.435(3)(fp)). State law specifies that operations expenditures cannot be charged to aids appropriations. Therefore, if the Legislature wishes to make 5% of the total appropriation available for administration, it should place that amount in an operations appropriation.

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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Food Pantry Grants

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

Combined one-time costs for 1.0 FTE Program and Planning Analyst 4 and 0.5 FTE Program Assistant 2 = \$11,000

II. Annualized Costs:

Annualized Fiscal impact on State funds from:

A. State Costs by Category

Increased Costs

Decreased Costs

State Operations - Salaries and Fringes

\$ 56,200

\$ -

(FTE Position Changes)

(1.5 FTE)

(- FTE)

State Operations - Other Costs

6,200

-

Local Assistance

1,437,600

-

Aids to Individuals or Organizations

-

TOTAL State Costs by Category

\$ 1,500,000

\$ -

B. State Costs by Source of Funds

Increased Costs

Decreased Costs

GPR

\$ 1,500,000

\$ -

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.)

Increased Rev.

Decreased Rev.

GPR Taxes

\$

\$ -

GPR Earned

-

FED

-

PRO/PRS

-

SEG/SEG-S

-

TOTAL State Revenues

\$

\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS

\$ 1,500,000

\$ 0

NET CHANGE IN REVENUES

\$ 0

\$ 0

Prepared By: / Phone # / Agency Name	Authorized Signature/Telephone No.	Date
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