

## Fiscal Estimate - 2001 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 01-0777/1	<b>Introduction Number</b> SB-94
<b>Subject</b>	
Food pantries funding	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect	
<input type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues
<input checked="" type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<input type="checkbox"/> Decrease Costs
<b>Local:</b>	
<input checked="" 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
<b>Fund Sources Affected</b>	
<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 s. 20.435(3)(fp)	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DHFS/ Jason Witt (608) 266-9364	Fredi Ellen Bove (608) 266-2907
	<b>Date</b>
	6/19/01

## Fiscal Estimate Narratives

DHFS 6/19/01

LRB Number	01-0777/1	Introduction Number	SB-94	Estimate Type	Original
<b>Subject</b>					
Food pantries funding					

### 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 served 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 \$67,600 and a one-time cost of \$14,400. The bill specifies that the Department may use up to 5 percent (\$75,000) of the appropriated funding for administrative costs. This funding would be sufficient to cover the ongoing cost of the positions (\$67,600), but would fall \$7,000 short of covering the first year cost of the positions which include both the ongoing and one-time costs (\$82,000 = \$67,600 + \$14,400).

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number <b>01-0777/1</b>		Introduction Number <b>SB-94</b>	
<b>Subject</b>			
Food pantries funding			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
Combined one-time costs for 1.0 FTE Program and Planning Analyst 4 and 0.5 FTE Program and Planning Analyst 2 = \$14,400			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$60,600	
(FTE Position Changes)		(1.5 FTE)	
State Operations - Other Costs		7,000	
Local Assistance			
Aids to Individuals or Organizations		1,432,400	
<b>TOTAL State Costs by Category</b>		<b>\$1,500,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		1,500,000	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$1,500,000	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DHFS/ Jason Witt (608) 266-9364		Fredi Ellen Bove (608) 266-2907	6/19/01