

Fiscal Estimate Narratives

DWD 3/21/2024

LRB Number	23-0103/2	Introduction Number	AB-1112	Estimate Type	Original
Description creating the Council for Equity and Inclusion and the Office for Equity and Inclusion and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates the Council for Equity and Inclusion and the Office for Equity and Inclusion, both of which would be attached to the Department of Administration (DOA). The bill also directs the head of each executive branch entity represented on the council to appoint an equity and inclusion officer and provides the Department of Workforce Development (DWD) 1.0 FTE position authority in appropriation 20.445(1)(a) for that purpose. No funding is provided.

The bill requires each state agency represented on the council to

- Cooperate with the Council and Office of Equity and Inclusion, and other appointed individuals in the implementation and enforcement of the equity and inclusion plan established by the council.
- Post the most recent equity and inclusion plan established by the council on the agency's website, and
- Ensure the equity and inclusion officer develops and implements a plan for equity and inclusion for the department and annually submits the plan to the council for review then approval or revision.

DWD estimates this bill's fiscal impact equates to be the cost for the agency's equity and inclusion officer. Annual ongoing costs for the position are currently estimated at \$159,300. DWD is unable to absorb these costs.

While the bill provides the department with a 1.0 FTE classified position in 20.445(1)(a), it does not provide funding for the equity and inclusion officer. For the purposes of this fiscal estimate, the department assumes an equity and inclusion officer would be filled using the rules and procedures for hiring state classified staff, would be classed at a policy initiatives advisor level, and the hourly rate of pay would be \$40.00. With these assumptions, the cost for this position in SFY 25 totals \$162,300, which consists of \$83,200 for salary, \$37,100 for fringe, \$39,000 for ongoing supplies, services, and other operational costs, and \$3,000 for initial equipment purchases.

For the purposes of this fiscal estimate, DWD also assumes that beginning in SFY 26, the salary and fringe costs for this position, currently estimated at \$120,300 annually, would receive GPR funding via the department's Full Funding of Continuing Position Salaries and Fringe Benefits decision item (a standard budget adjustment). The \$39,000 in ongoing supplies and services costs associated with this position's activities would not be covered in a standard budget adjustment.

The department's current program needs and associated staffing costs spend the full amount of GPR funding appropriated in 20.445(1)(a). To cover salary, fringe, and supplies and services costs for the equity and inclusion officer during the current biennium, and supplies and services costs in the future, funding in (1)(a) would need to be reallocated. Reallocation would reduce resources available for current activities in DWD's Equal Rights Division and/or the Division of Employment and Training, which are funded using this GPR funding source.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description creating the Council for Equity and Inclusion and the Office for Equity and Inclusion and making an appropriation		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs for this new position equal: \$162,300 to cover having the position filled for all of SFY 25		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$120,300	\$
(FTE Position Changes)		
State Operations - Other Costs	39,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$159,300	\$
B. State Costs by Source of Funds		
GPR	159,300	
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, etc.)		
	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	\$159,300	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date		
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