

FISCAL NOTE

Requested by Legislative Council
02/21/2003

Amendment to: SB 2083

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$317,507)		(\$328,117)
Expenditures			(\$6,032,611)	(\$317,507)	(\$6,234,232)	(\$328,117)
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$169,702)			(\$173,594)		

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would reduce the SPED asset test from \$50,000 to \$20,000 and further defines assets as being all assets, except for the primary home, instead of using liquid assets as defined in administrative rule. As a result the monthly caseload would decrease by an estimated 628 cases and accordingly SPED expenditures would be reduced by \$6,350,118 in the 2003-2005 biennium.

The Executive Budget included a decrease of \$1,737,434 for changing the liquid asset test from the current \$50,000 to the proposed \$25,000. However the fiscal effects of this bill, as amended have also been incorporated into the Department's 2003-2005 appropriation bill, SB 2012.

Currently, each client receives one full assessment each year. However, it is estimated the financial eligibility determination will take an additional two hours for each client. The additional salary cost to the counties is estimated to be \$147,805 for the 2003-2005 biennium. In addition to the direct salary cost there would be additional costs for travel to client homes, training for workers, appraisal costs and indirect costs. The costs other than direct salary are undeterminable and therefore are not included.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The counties are responsible for 5% of the cost of the SPED program. Based upon the reduced number of clients the revenue from the counties would be decreased by \$317,507 in 2003-2005.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Grant expenditures would be reduced by \$6,350,118 in the 2003-2005 biennium of which \$6,032,611 is general funds and \$317,507 is county funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The fiscal effects of the bill, as amended have been incorporated into the Department's appropriation bill, SB 2012. If this bill as amended does not pass SB 2012 would need to be adjusted accordingly.

Name: Debra A. McDermott
Phone Number: 328-3695

Agency: Human Services
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