

FISCAL NOTE
Requested by Legislative Council
12/23/2016

Amendment to: SB 2039

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(3,593)		\$9,930
Expenditures			\$(16,128)	\$(3,593)	\$56,842	\$9,930
Appropriations			\$(16,128)	\$(3,593)	\$56,842	\$9,930

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2039 requires the accreditation of each of the Department of Human Services (DHS) 8 Regional Human Service Centers (HSC). It also changes the membership of each HSC Human Services Advisory group.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 6 of SB2039 requires the accreditation of each HSC in the Department of Human Services with an effective date in section 15 of August 1, 2021. There would be no additional cost for the accreditation in the 2017-2019 biennium budget, but there would an increase in expenditures in the 2019-2021 biennium of \$66,772, of which \$56,842 is general fund.

Section 7 of SB2039 changes the membership of each HSC Advisory group. Currently each group consists of 13 members to include two current county commissioners and one current county social service board member to serve. New membership would include the county social service and public health directors of the region served and 5 additional appointed members. Compensation for attendance would be given to the 5 appointed members only. This results in a one-time reduction of board member stipend/travel costs of (\$19,721), of which (\$16,128) is general fund, to the base level budget (HB1012) and the executive budget recommendation (HB1072) for the 2017-2019 biennium.

Section 11 of SB2039 has no fiscal impact. This requirement previously indicated that DHS issue an RFP prior to January 1, 2006, which was completed. The Department, in 2017 HB 1136 is proposing to remove the sentence, "Before January 1, 2006, the department of human services shall issue a request for proposal for the provision of residential treatment services to meet the needs of youth with a history of sexual offenses within the state and explore options of therapeutic foster care for those youth who would benefit from this service level." as the RFP was issued prior to January 2006, and currently the volume of juvenile sex offenders is low and even lower for those requiring specialized sex offender residential care.

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.*

3A. The Department of Human Services would receive (\$3,593) less in federal revenue in the 17-19 biennium due to the changes in the HSC Advisory Group. For the 19-21 biennium the department would be able to claim \$9,930 of federal revenue for the cost of the accreditation.

- 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.*

Section 6 of SB2039 requires the accreditation of each HSC in the Department of Human Services with an effective date in section 15 of August 1, 2021. There would be no additional cost for the accreditation in the 2017-2019 biennium budget, but there would be an increase in operating expenses in the 2019-2021 biennium of \$66,772, of which \$56,842 is general fund.

Section 7 of SB2039 changes the membership of each HSC Advisory group. Currently each group consists of 13 members to include two current county commissioners and one current county social service board member to serve. New membership would include the county social service and public health directors of the region served and 5 additional appointed members. Compensation for attendance would be given to the 5 appointed members only. This results in a one-time reduction of board member pay of (\$19,721), of which (\$16,128) is general fund, to the base level budget (HB1012) and the executive budget recommendation (HB1072) for the 2017-2019 biennium.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Section 6 of SB2039 requires the accreditation of each HSC in the Department of Human Services with an effective date in section 15 of August 1, 2021. There would be no additional cost for the accreditation in the 2017-2019 biennium budget, but there would be an increase in appropriation needed in the 2019-2021 biennium of \$66,772, of which \$56,842 is general fund.

The changes in membership of the HSC Advisory group in Section 7 results in a reduction in appropriation of (\$19,721), of which (\$16,128) is general fund, to the base level budget (HB1012) and the executive budget recommendation (HB1072) for the 2017-2019 biennium.

Name: Jennifer Scheet

Agency: Dept of Human Services

Telephone: 701-328-4608

Date Prepared: 01/06/2017