

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: SB523

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Hanger

3. Committee: Passed Both Houses

4. Title: Department of Minority Business Enterprise; certification of employment services organizations.

5. Summary: The enrolled bill provides for the Department of Minority Business Enterprise to certify employment service organizations. Under the enrolled bill, "employment services organization" is defined as an organization that provides community-based employment services to individuals with disabilities that are an approved Commission on Accreditation of Rehabilitation Facilities (CARF) accredited vendor of the Department of Rehabilitative Service.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: See item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2013	\$60,000	0	General

8. Fiscal Implications: The Department of Minority Business Enterprise (DMBE) states that the enrolled bill will cost \$60,000 in FY 2013. This funding will be used to hire a consultant to work with DMBE in analyzing the scope of work and also to assist DMBE in determining what modifications to will be needed in regards to DMBE's certification process.

Until the project scope is more clearly defined and certain preparatory work is completed, DMBE is unable to project costs beyond FY 2013. DMBE suspects costs will be incurred for modifications to their certification database, online search processes, expenditure dashboard, and reporting services in order to implement the new certification category of "employment services organizations." The costs for future fiscal years are indeterminate at this time until the consultant can provide a description of the necessary changes. Depending upon the number of new certifications resulting from this legislation, DMBE indicates that additional workload requirements may present the need to augment its current staffing for managing, reviewing, and determining eligibility of applications received.

The Governor's introduced budget for the 2012-2014 biennium (House Bill 30) did not include any funding from the general fund to support this bill. The budget as originally approved by the House maintained this lack funding, as did the budget recommendations made by the Senate Finance Committee. The newly introduced House Bill 1301, as passed by the House Appropriations Committee, also did not include any funding for this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Minority Business Enterprise, Department of General Services, and all state agencies

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 3/15/2012