

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB950

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Lewis

3. Committee: General Laws and Technology

4. Title: Veteran Employment Grant Fund and Program.

5. Summary: Creates the Veteran Employment Grant Fund and Program (Program) to be administered by the Department of Veterans Services to provide grants to businesses certified by the Department as participants in the Department's program to create employment opportunities for veterans by assisting employers in hiring and retaining veterans. The bill sets out the criteria for the award of grants and requires the Department to establish a certification process for participating employers with the objective of setting measurable goals for hiring and retaining veterans.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2015 | \$0 | | |
| 2016 | \$0 | | |
| 2017 | Indeterminate | | General |
| 2018 | Indeterminate | | General |
| 2019 | Indeterminate | | General |
| 2020 | Indeterminate | | General |
| 2021 | Indeterminate | | General |

8. Fiscal Implications: The proposed legislation creates a special nonreverting fund to be administered by the Department of Veterans Services (Department). Under the program, the Department will be required to award grant funds to certified companies that hire veterans. Beginning July 1, 2016, a company certified by the Department, with 300 or fewer employees may apply for the grant award for up to ten veterans that have been employed for 12 months and provided the prevailing wage. The grant award is limited to \$1,000 per veteran hired for at least a 12 month period and each company awarded the grant is limited to a maximum of \$10,000 annually (i.e. the grant applies only to the first 10 veterans hired by the company). According to the Department, since veterans are to be hired after July 1, 2015, and the award requires employment for 12 months, funding will not be needed until sometime after July 1, 2016. It is not known at this time how many businesses will qualify

and how many eligible veterans will be hired. There are no funds currently budgeted for this program; therefore, the Department will need additional appropriation beginning in fiscal year 2017 to implement this bill. The Department estimates that up to \$1.0 million may be needed each year to support the program.

9. Specific Agency or Political Subdivisions Affected: Department of Veterans Services

10. Technical Amendment Necessary: No.

11. Other Comments: Identical to HB1577 and SB1321.

Date: January 16, 2015
DPB Analyst: jgc