

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1126-02
Bill No.: Truly Agreed and Finally Passed HCS for SB 321
Subject: Department of Elementary and Secondary Education
Type: Original
Date: May 1, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$19,636,734	\$19,636,734	\$19,636,734
Sheltered Workshop Per Diem Revolving	(\$19,636,734)	(\$19,636,734)	(\$19,636,734)
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Elementary and Secondary Education** stated that their agency could accept electronic statements of payments made by Sheltered Workshops.

Oversight has determined amounts lapsed by the Sheltered Workshop Program for the last four years to be as follows:

1997	-	\$209,752
1998	-	\$ 0
1999	-	\$418,190
2000	-	\$286,173

Oversight assumes future lapses of funding would remain in the Sheltered Workshop Revolving Fund, rather than transferring to the General Revenue Fund, but has not predicted the amount of future lapses, if any.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
General Revenue			
<u>Savings</u> - Operation of Sheltered Workshops	\$19,636,734	\$19,636,734	\$19,636,734
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$19,636,734</u>	<u>\$19,636,734</u>	<u>\$19,636,734</u>
Sheltered Workshop Per Diem Revolving Fund			
<u>Cost</u> Operation of Sheltered Workshops	(\$19,636,734)	(\$19,636,734)	(\$19,636,734)
NET ESTIMATED EFFECT ON SHELTERED WORKSHOP FUND	<u>(\$19,636,734)</u>	<u>(\$19,636,734)</u>	<u>(\$19,636,734)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would allow the Department of Elementary and Secondary Education to accept electronic statements of payments made by sheltered workshops. The statements are proof of payments due to sheltered workshops. This proposal also creates the "Sheltered Workshop Per Diem Revolving Fund". The balance of this fund shall not exceed \$500,000 at the end of each fiscal year. Any unexpended balance in this fund at the end of each fiscal year exceeding \$500,000 shall be deposited in the general revenue fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



Jeanne Jarrett, CPA
Director
May 1, 2001