

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 524** HLS 22RS 607

Bill Text Version: **RE-REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|--|---------|-----------------------------------|
| Date: May 17, 2022 | 2:25 PM | Author: LYONS |
| Dept./Agy.: Governor's Office of Homeland Security & Emergency Preparedness | | Analyst: Monique Appeaning |
| Subject: Disability-Focused Disaster Preparedness & Response Fund | | |

EXCEPTIONAL PERSONS RR SEE FISC NOTE SD RV See Note Page 1 of 1
Establishes a program for needs assessment and coordination of services for people with disabilities affected by disasters

Proposed law redirects 2% (not to exceed \$500,000) of monies collected pursuant to sports wagering taxes levied. Proposed law creates the Disability-Focused Disaster Preparedness and Response (DFDPR) Fund as a special fund in the state treasury. The fund shall consist of monies deposited pursuant to R.S. 27:625(G)(5) and any additional monies transferred to the fund by the legislature and any monies designated for the fund and received by the state treasurer from donations, gifts, or grants. Monies from the DFDPR Fund shall be used solely for the purposes provided for in proposed law. Proposed law provides for the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) may utilize a maximum of 3% of monies annually deposited into the fund pursuant to R.S. 27:625(G)(5) for administrative costs, including costs of grants administration. Proposed law provides that GOHSEP shall contract with a disability assessment and coordination entity (DACE) whose director possesses the qualifications outlined in proposed law. Proposed law provides that DACE shall perform certain functions such as working with GOHSEP to develop a statewide plan that shall include specific elements, conduct individual needs assessments for people with disabilities, coordinate with state and local governmental entities, disability stakeholders, and affected individuals with disabilities or their representatives to meet individual needs identified assessment and training.

| EXPENDITURES | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> | <u>2026-27</u> | <u>5 -YEAR TOTAL</u> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | | | | | | |

| REVENUES | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> | <u>2026-27</u> | <u>5 -YEAR TOTAL</u> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable expenditure impact on GOHSEP to implement the provisions outlined in proposed law. GOHSEP reports that it will utilize existing grant administration staff for this program and will utilize any DFDPR Funds to partially fund this section.

Proposed law does not directly impact the expenditures of the Governor's Office of Disability Affairs. However, it does eliminate revenues that were directed to support certain functions within this office. To the extent that the legislature continues to fund these activities in the Governor's Office of Disability Affairs in subsequent fiscal years, the funding sources that are redirected in proposed law must be replaced by SGF or another revenue source to supplant the loss of SGR and statutory dedications. These activities would compete for annual SGF resources along with other significant SGF-supported services and activities of the state.

Proposed law creates within the state treasury a marginal workload increase for the Department of Treasury, which can generally be absorbed with existing resources. However, to the extent other legislative instruments create additional workload, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury may need to add one T.O. position at a total personnel services cost of approximately \$73,000, plus approximately \$2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

Proposed law provides that this Act shall become effective when funding is appropriated.

REVENUE EXPLANATION

Proposed law creates the Disability-Focused Disaster Preparedness and Response (DFDPR) Fund as a special fund in the state treasury. Monies deposited into the fund will be contingent upon transfers, donations, or appropriations into the fund by the legislature. The fund shall consist of monies deposited pursuant to R.S. 27:625(G)(5) and any additional monies transferred to the fund by the legislature and any monies designated for the fund and received by the state treasurer from donations, gifts, or grants. Monies from the DFDPR Fund shall be used solely for the purposes provided for in proposed law.

Present law provides 2% of the monies collected annually from a tax on sports wagering, not to exceed \$500,000 shall be credited to the Disability Affairs Trust Fund. Proposed law redirects 2% (not to exceed \$500,000) from the Disability Affairs Trust Fund to the Disability-Focused Disaster Preparedness and Response (DFDPR) Fund. Proposed law provides for the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) may utilize a maximum of 3% of monies annually deposited into the fund pursuant to R.S. 27:625(G)(5) for administrative costs, including costs of grants administration. Proposed law provides GOHSEP a maximum amount of \$15,000 from the DFDPR Fund as a special fund in the state treasury (\$500,000 * 3% = \$15,000) for administration. NOTE: As of 4/19/22 revenue generated from sports wagering was \$100,157.

Proposed law provides that GOHSEP shall seek federal reimbursement for eligible disaster-related expenses incurred in the provision of resources and services to people with disabilities affected by disasters as authorized by proposed law. To the extent GOHSEP is awarded federal funds for this, it may result in savings that the Legislative Fiscal Office assumes is State General Fund.

NOTE: The FY 23 revenue projections for the Disability Affairs Trust Fund experienced a decline to the point where a means of finance swap utilizing State General Fund totaling \$101,057 to fund the Governor's Office of Disability Affairs for operations for FY 23.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
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