

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 343** HLS 14RS 809
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: April 28, 2014 8:20 AM	Author: HARRISON
Dept./Agy.: Executive Department/Elderly Affairs	Analyst: Patrice Thomas
Subject: Creates the Department of Elderly Affairs	

ELDERLY EG INCREASE See Note Page 1 of 1
 (Constitutional Amendment) Creates and provides for a Department of Elderly Affairs

Proposed constitutional amendment creates a Department of Elderly Affairs as an executive branch department. Proposed constitutional amendment provides that the Department of Elderly Affairs is responsible for planning, monitoring, coordinating, and delivering services to the state's elderly. Proposed constitutional amendment provides that all officers and employees of the department shall be in the classified state civil service, and their appointments and compensation shall be in accordance with civil service rules. Proposed constitutional amendment prohibits appropriation of funds for the state's elderly to any other organizational unit of the executive branch of state government. Proposed constitutional amendment provides for submission to the voters at the statewide election to be held 11/04/2014 and becomes effective on 01/01/2015, if ratified by the voters.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
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>	<u>\$0</u>
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This measure is anticipated to result in an indeterminable increase in total state expenditures in FY 15. The constitutional amendment creates the Department of Elderly Affairs that is anticipated to increase personnel services, operating expenses, and equipment purchases beginning in FY 15. The Legislative Fiscal Office (LFO) anticipates the addition of a secretary and deputy secretary position with implementation of this legislation. The legislation requires the salary of the secretary to be determined by the governor and the salary of the deputy secretary to be determined by the newly appointed secretary. The LFO assumes the salary of the secretary of the newly created department would receive a salary higher than currently budgeted for the executive director of the Office of Elderly Affairs of \$91,402. According to the Governor's Office of Elderly Affairs, based on existing budget, the estimated salary of the secretary position is \$103,402 (\$12,000 increase over current executive director's salary) and salary of a deputy secretary position of \$90,000 with associated related benefits of \$58,973; which represents the minimum estimated increase in expenditures of \$160,973.

In addition, the constitutional amendment prohibits appropriation of funds for elderly services to any other state agency. In FY 13, the Office of Elderly Affairs transferred \$2.5 M SGF and 22 positions to the Department of Health and Hospitals, Office of Aging and Adult Services to operate the Elderly Protective Services (EPS) program. If the EPS program and the \$2.5 M is transferred back to the Department of Elderly Affairs as a result of this measure, the department may utilize the \$2.5 M to fund secretary and deputy secretary positions and will be fully funded.

On November 4, 2014, voters will consider the proposed constitutional amendment at the statewide election. The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State routinely budgets for up to 10 constitutional amendments for the fall statewide elections.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
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Legislative Fiscal Officer