

February 21, 2011

The Honorable Anthony Brown, Chairperson
House Committee on Commerce and Economic Development
Statehouse, Room 151-S
Topeka, Kansas 66612

Dear Representative Brown:

SUBJECT: Fiscal Note for HB 2336 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2336 is respectfully submitted to your committee.

HB 2336 would enact the Kansas Employment First Initiative Act. The bill would establish that it is the public policy of the State of Kansas that competitive and integrated employment is the first option when serving persons with disabilities who are of working age to obtain employment with the state and any of its contractors. This policy would apply to programs that support the employment of persons with disabilities and directs all state agencies to follow this policy and ensure that it is effectively implemented in their programs and services. The bill would require all state agencies to coordinate their efforts and collaborate within and amongst each agency to ensure that programs, policies, procedures, and funding support competitive and integrated employment of individuals with disabilities. The bill would further require agencies to, whenever feasible, share data and information across systems in order to track progress toward full implementation of the Act.

The bill would establish a five-member oversight commission charged with the establishment of measurable goals and objectives for the State of Kansas to ensure implementation of the Act and to track the implementation progress of public agencies. The oversight commission would consist of four persons with a disability who are knowledgeable of disability issues and who are not state employees. The Speaker of the House, the Minority Leader of the House, the President of the Senate, and the Minority Leader of the Senate would each appoint one of these members. The fifth member could not be a state employee but would be required to be experienced with employment services programs. This member would be appointed by the Governor. All members of the oversight commission would serve a two-year term and would be paid mileage and other expenses.

The Governor would designate one member to convene and organize the first meeting of the oversight commission, during which the commission would elect a chairperson and vice-chairperson. The oversight commission would meet at least four times a year. All actions of the oversight commission would be taken by a majority of the members and a quorum would consist of three members. The commission would issue an annual report on or before January 1 of each

year that details the progress toward the goals and full implementation of the Act. The report would also identify barriers to achieving the outcomes, along with effective strategies and policies to help realize the Employment First Initiative. This annual report is to be presented to the Governor and members of the Legislature and all state agencies are directed to cooperate with the oversight commission on the creation and dissemination of the annual report. The Department of Social and Rehabilitation Services (SRS) would be the lead agency responsible for compiling data and coordinating the preparation of the annual report at the direction of the oversight commission.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$51,993	\$51,993
FTE Pos.	--	--	--	0.50

Since the particular actions and policies required to implement the act are not specified, there is no way to determine whether there would be any long-term statewide fiscal considerations attributed to this bill. However, the operating cost of the commission is estimated at \$51,993 from the State General Fund in FY 2012. SRS would be the lead agency responsible for compiling data and coordinating the preparation of the annual report at the direction of the oversight commission. The agency estimates the need for 0.50 additional FTE position to support the proposed functions of the commission. Salary and fringe benefit costs for this half-time position are estimated at \$40,578. Normal operating costs and data collections costs are estimated at \$6,815. Finally, travel and per diem costs for the commission are estimated at \$4,600. Functions for this initiative and commission do not meet the allowable uses of federal vocational rehabilitation dollars; therefore, the funding is calculated at 100.0 percent from the State General Fund. SRS estimates similar expenditures for fiscal years beyond FY 2012, unless the established commission sets additional requirements. Any fiscal effect associated with HB 2336 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Pat Higgins, Administration
Dan Lewien, SRS
Jeff Russell, Legislative Services