

HF361 - 1A - "Employment Opportunities Demo Project"

Chief Author: **Duane Quam**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **04/14/2015**  
 Lead Agency: Human Services Dept  
 Other Agencies:  
     Employment and Economic      Disability Council  
     Dvlpmt

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Disability Council</b>						
General Fund	-	53	45	-	-	-
<b>Human Services Dept</b>						
General Fund	-	156	110	71	71	71
<b>State Total</b>						
General Fund	-	209	155	71	71	71
<b>Total</b>	-	<b>209</b>	<b>155</b>	<b>71</b>	<b>71</b>	<b>71</b>
<b>Biennial Total</b>			<b>364</b>			<b>142</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Disability Council</b>					
General Fund	-	.5	.5	-	-
<b>Human Services Dept</b>					
General Fund	-	2	1.5	1	1
<b>Total</b>	-	<b>2.5</b>	<b>2</b>	<b>1</b>	<b>1</b>

**Lead Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Susan Earle      Date: 04/14/2015  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
<b>Dollars in Thousands</b>		<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
<b>Disability Council</b>						
General Fund	-	53	45	-	-	-
<b>Human Services Dept</b>						
General Fund	-	156	110	71	71	71
<b>Total</b>	<b>-</b>	<b>209</b>	<b>155</b>	<b>71</b>	<b>71</b>	<b>71</b>
<b>Biennial Total</b>			<b>364</b>			<b>142</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Disability Council						
General Fund	-	53	45	-	-	-
Human Services Dept						
General Fund	-	240	170	110	110	110
<b>Total</b>	<b>-</b>	<b>293</b>	<b>215</b>	<b>110</b>	<b>110</b>	<b>110</b>
<b>Biennial Total</b>			<b>508</b>			<b>220</b>
<b>2 - Revenues, Transfers In*</b>						
Disability Council						
General Fund	-	-	-	-	-	-
Human Services Dept						
General Fund	-	84	60	39	39	39
<b>Total</b>	<b>-</b>	<b>84</b>	<b>60</b>	<b>39</b>	<b>39</b>	<b>39</b>
<b>Biennial Total</b>			<b>144</b>			<b>78</b>

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Chief Author: **Duane Quam**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **04/14/2015**  
 Agency: **Employment and Economic Dvlpmt**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Total</b>	-	-	-	-	-

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

**Bill Description**

This bill directs Department of Human Services (DHS) to develop and implement a pilot project designed to improve access to benefits counseling for persons with disabilities that are anticipating an increase in their earned income. DHS is required to consult with Department of Employment and Economic Development (DEED) and the State Council on Disability to identify potential project participants and when developing and implementing this pilot to ensure there is no duplication of services.

**Assumptions**

DEEDs responsibilities with this proposed bill are limited to a consultative role. It is assumed that this consultative role would be assigned to existing DEED staff and could be accomplished within the scope of that persons existing work responsibilities and work schedule. The recruitment of potential project participants would be accomplished via internal communication strategies including email and SharePoint notifications.

**Expenditure and/or Revenue Formula**

There is no financial impact to DEED

**Long-Term Fiscal Considerations**

N/A

**Local Fiscal Impact**

N/A

**References/Sources**

N/A

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HF361 - 1A - "Employment Opportunities Demo Project"

Chief Author: **Duane Quam**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **04/14/2015**  
 Agency: **Disability Council**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
<b>Local Fiscal Impact</b>		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	53	45	-	-	-
<b>Total</b>	-	<b>53</b>	<b>45</b>	-	-	-
<b>Biennial Total</b>			<b>98</b>			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	.5	.5	-	-
<b>Total</b>	-	<b>.5</b>	<b>.5</b>	-	-

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Brian McLafferty      Date: 4/11/2015 2:02:35 PM  
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### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	53	45	-	-	-
<b>Total</b>	-	<b>53</b>	<b>45</b>	-	-	-
<b>Biennial Total</b>			<b>98</b>			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	53	45	-	-	-
<b>Total</b>	-	<b>53</b>	<b>45</b>	-	-	-
<b>Biennial Total</b>			<b>98</b>			-
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

### Bill Description

Relating to human services; establishing a demonstration project to provide employment opportunities for persons with disabilities; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256C. According to subdivision 4, the Commissioner of Human Services shall consult with the Council on Disability (MSCOD) and the Commissioner of the Department of Employment and Economic Development (DEED) to identify potential project participants, develop and implement the demonstration project, and ensure that there are no duplications of services

### Assumptions

Currently there is no FTE at MSCOD with any knowledge or experience in the implementation of the demonstration project that this proposed legislation requires. MSCOD estimates that it would spend 1,040 hours (0.5 FTE) of staff time to fulfill the obligations of this bill. This estimate is based on the following assumptions:

- Community engagement: 312 of hours spent on the phone with constituents answering questions and directing them to the appropriate resources. Included in this is also time spent at town hall forums, focus groups, and conference calls to promote and disseminate the demonstration project across Minnesota.
- Analysis of state and federal programs: 520 of hours to canvass DHS, DEED, and Federal programs and services. A full understanding of agency programs and how they relate to one another is necessary to identify potential project participants, develop and implement the demonstration project, and ensure that there are no duplications of services.
- Work group meetings, interagency coordination, & administrative work: 208 hours to attend meetings and engage with partner agencies. Included in this time would be the administrative background work.

Due to resource constraints, MSCOD assumes that a new staff person would need to be hired to perform these functions.

MSCOD assumes that the new staff person would be hired at the level of a Customer Services Program Specialist 3 (provide annual salary) and would possess knowledge of and interaction with existing programs and services (e.g. Medical Assistance & Social Security Disability Insurance) at the State Federal level as well as knowledge of and relationships with disability organizations and the disability community.

**Expenditure and/or Revenue Formula**

	FY16	FY17
Salary/Fringe	39	39
Rent	3	3
Office Furniture	6	
Computer/Equipment	2	
Communications/IT	2	2
Supplies	1	1
<b>Total</b>	<b>53</b>	<b>45</b>

**Long-Term Fiscal Considerations**

None

**Local Fiscal Impact**

None

**References/Sources**

David Fenley - MSCOD - 361-7809

Linda Gremillion - MSCOD - 361-7805

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Chief Author: **Duane Quam**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **04/14/2015**  
 Agency: Human Services Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	156	110	71	71
<b>Total</b>	<b>-</b>	<b>156</b>	<b>110</b>	<b>71</b>	<b>71</b>
<b>Biennial Total</b>			<b>266</b>		<b>142</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	2	1.5	1	1
<b>Total</b>	<b>-</b>	<b>2</b>	<b>1.5</b>	<b>1</b>	<b>1</b>

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Susan Earle      Date: 4/14/2015 10:37:32 AM  
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### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

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<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	156	110	71	71	
<b>Total</b>	<b>-</b>	<b>156</b>	<b>110</b>	<b>71</b>	<b>71</b>	
<b>Biennial Total</b>			<b>266</b>			<b>142</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	240	170	110	110	
<b>Total</b>	<b>-</b>	<b>240</b>	<b>170</b>	<b>110</b>	<b>110</b>	
<b>Biennial Total</b>			<b>410</b>			<b>220</b>
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	84	60	39	39	
<b>Total</b>	<b>-</b>	<b>84</b>	<b>60</b>	<b>39</b>	<b>39</b>	
<b>Biennial Total</b>			<b>144</b>			<b>78</b>

### Bill Description

The 1A amendment to this bill directs the Department of Human Services to create an employment demonstration project to allow people with disabilities to better understand the impact on their public assistance benefits of accepting employment or increasing earned income. DHS must report to the legislature by January 15, 2017 and every two years after about the program. By January 15, 2017, DHS must also provide recommendations for a subsidy for participants.

### Assumptions

This bill directs the Disability Linkage Line (DLL) to provide benefits analyses for project participants. It is estimated that one DLL Work and Benefits Specialist can provide demo services to 75 people per year. The scale of this project will depend on the level of appropriation. Since the appropriation section does not include specific dollar amounts, this analysis assumes a demonstration size of 75 people.

This specialist will provide services like:

- Intake
- Teaching participants to use DB101.org for on-going benefits management
- Completing a benefits-to-work estimator session to introduce concepts
- Creating a financial/work goal plan based on results
- Completing a full benefits analysis, if needed
- Identifying and helping to put into place work incentives to help participants
- Helping to educate participants on benefits reporting responsibilities
- Providing follow along to assure participants financial/work plans are moving forward
- Collecting demo data and outcomes that will inform 2017 recommendations for a subsidy, as required in this bill

In addition, this analysis includes one additional FTE through January 2017 to design the project and provide the reports and recommendations to the legislature as required in the bill.

These estimates only include administrative costs necessary to implement this project. It is assumed that any program

changes or subsidies that may be recommended based on data from this demonstration project will require additional legislative action and appropriations.

**Expenditure and/or Revenue Formula**

State Budget Impact (000's)	2016	2017	2018	2019
1 FTE: Disability Linkage Line Specialist	120	110	110	110
1 FTE: Project Development and Reporting	120	60		
FFP (35%)	(84)	(60)	(39)	(39)
<b>Net State Costs</b>	<b>156</b>	<b>110</b>	<b>71</b>	<b>71</b>

Fiscal Tracking Summary (\$000s)						
Fund	BACT	Description	FY2016	FY2017	FY2018	FY2019
GF	14	CCA Admin: DLL Specialist	120	110	110	110
GF	14	CCA Admin: Project Development and Reporting	120	60		
	REV1	Admin FFP (35%)	(84)	(60)	(39)	(39)
		<b>Total Net Fiscal Impact</b>	<b>156</b>	<b>110</b>	<b>71</b>	<b>71</b>
		<b>Full Time Equivalents</b>	<b>2.0</b>	<b>1.5</b>	<b>1.0</b>	<b>1.0</b>

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

CC Research and Analysis

DLL Research

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