

HF1740 - 0 - "Capitol Flag Program; Line of Duty Service"

Chief Author: **John Huot**
 Committee: **Veterans & Military Affairs Finance & Policy Division**
 Date Completed: **03/18/2019**
 Agency: **Administration 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)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	31	32	32	32	32
MN Bookstore	-	-	-	-	-	-
Total	-	31	32	32	32	32
Biennial Total			63			64

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	.2	.2	.2	.2
MN Bookstore	-	-	-	-	-
Total	-	.2	.2	.2	.2

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: Shawn Kremer Date: 3/18/2019 3:19:46 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.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	31	32	32	32	32
MN Bookstore	-	-	-	-	-	-
Total	-	31	32	32	32	32
	Biennial Total		63			64
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	31	32	32	32	32
MN Bookstore	-	1	1	1	1	1
Total	-	32	33	33	33	33
	Biennial Total		65			66
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
MN Bookstore	-	1	1	1	1	1
Total	-	1	1	1	1	1
	Biennial Total		2			2

Bill Description

The proposed bill allows for eligible family members of military service members who died while in active service and public safety officers who died in the line of duty to be issued one United States or one Minnesota flag that has been flown over the Minnesota State Capitol Building free of charge. Each flag will be accompanied by a certificate memorializing the flag flying occasion. For subsequent flags requested by eligible family members, the Commissioner of the Department of Administration may charge a reasonable fee not exceeding the cost of the flag and certificate.

Assumptions

- Other agencies, government entities and political subdivisions with oversight authority over the deceased individuals' employment service will make the "died while in active service" and "killed in the line of duty" determinations.
- Other agencies, government entities and political subdivisions with oversight authority over the deceased individuals' employment service will furnish written proof to the family member so that it can be furnished to the Department of Administration with the request to fly a flag.
- Family members of the deceased are responsible for obtaining record of their eligibility to receive a flag at no cost.
- 550 (4'X6' Capitol building spec nylon) flags are estimated to be flown each year (275 United States Flags and 275 Minnesota Flags). This is only an estimate and the number could vary widely. The number of persons killed in the line of duty or who died while in active military service over the past many decades is large. We anticipate significant demand in the first years of the program.
- No-cost flags will be issued to eligible family members on a first-come-first-served basis. Subsequent requests from other eligible family members of the same family will require payment for the flag and the certificate.

- An estimated 50 eligible family members per year will request to purchase an additional flag.
- Flags for purchase will be provided through Minnesota's Bookstore.
- First Class U.S. Mail will be used for flag delivery to family members and/or government officials the family requests to present them the flag.
- Government officials and/or their political subdivisions will be responsible for the costs associated with their conveyance of the flag to the eligible family member.
- Customer Service Specialist Sr will receive and log flag requests, schedule flag raisings, track status, and package and mail flags.
- Groundskeeper Int will bring flags to the pole, raise and lower flags, fold flags, and return to Customer Service Specialist Sr.

Expenditure and/or Revenue Formula

Estimated first year annual costs for first flags:

\$11,000 for 500 flags (250 U.S. flags at \$15.84 each and 250 MN flags at \$24.95 each plus sales tax)

\$500 for 500 certificates (\$1 each)

\$3,823 for postage (550 flags x \$6.95; includes postage costs for subsequent flag requests)

\$10,457 for 0.13 FTE Customer Service Specialist Sr salary and benefits (\$24.42/hour x 2,096 hours x 0.13 FTE = \$6,654, plus \$509 FICA, \$416 retirement, and \$2,878 insurance). FTE is based on 0.5 hours/flag.

\$5,407 for 0.07 FTE Groundskeeper Int salaries and benefits (\$23.08/hour x 2,096 hours x 0.07 FTE = \$3,386, plus \$259 FICA, \$212 retirement, and \$1,550 insurance). FTE is based on 0.25 hours/flag.

\$31,187 Total

Estimated first year costs/revenue for subsequent flags:

\$1,100 for 50 flags (25 U.S. flags at \$15.84 each and 25 MN flags at \$24.95 each plus sales tax)

\$50 for 50 certificates (\$1 each)

\$1,150 Total

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Chris Guevin

Director, Facilities Management Division

Department of Administration

(651) 201-2350

Also:

State flag contract

USPS mail rate

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