



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill # HB0468

Title: Involve certain state agencies in disability integrated employment programs

Primary Sponsor: Bahr, Jade

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
Expenditures:				
General Fund	\$107,871	\$104,474	\$106,041	\$107,632
Federal Special Revenue	\$70,053	\$67,850	\$68,867	\$69,900
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$107,871)</u>	<u>(\$104,474)</u>	<u>(\$106,041)</u>	<u>(\$107,632)</u>

Description of fiscal impact: HB 468 requires certain agencies to coordinate in competitive integrated employment activities. The total cost per year would be about \$110,000 to the state general fund.

FISCAL ANALYSIS

Assumptions:

1. HB 468 directs the Department of Labor and Industry (DLI), the Department of Public Health and Human Services (DPHHS), and the Office of Public Instruction (OPI) to develop a coordinated plan to implement methods or procedures to promote competitive integrated employment of a person of working age who has disabilities.
2. The plan would include including working with case managers, persons with disabilities, and potential employers regarding accommodations and tools, additional reporting, education, and work with stakeholders on process improvement.

Office of Public Instruction (OPI)

3. The bill requires the OPI to “develop job training curricula that recognizes the importance of transitions between training and work experience, including the use of apprenticeships or on-the-job training to aid in

- school-to-work transitions, and incorporate competitive integrated employment into the activities undertaken under 20-7-403.” The OPI interprets this to mean the development of curricula for public school students. While 20-3-106, MCA, requires the Superintendent of Public Instruction to “collect and maintain a file of curriculum guides and assist schools with instructional programs in accordance with the provisions of 20-7-113 and 20-7-114”, the OPI does not determine curricula used by schools. Local school district trustees determine the curricula for the school district in order to meet accreditation standards set by the Board of Public Education.
4. None of the model curricula currently maintained by the OPI in accordance with 20-3-106, MCA, includes consideration of transition from school to work.
 5. Under existing Individuals with Disabilities Education Act (IDEA) regulations transition planning must be included in Individual Education Programs (IEPs) prepared for students with disabilities.
 6. The OPI would have to obtain Career and Technical Education (CTE) and Adult Education (AE) model curricula with consideration of transition planning in order to comply with this bill. School districts would have no obligation to use these curricula. The OPI believes existing CTE and AE programs are aligned with the Workforce Innovation and Opportunity Act (WIOA) under which the federal government has given guidance on transition planning for persons with disabilities.
 7. The bill adds to the special education clause of 20-7-403(11), MCA, Duties of superintendent of public instruction the following: “The requirements in this subsection include cooperation with the department of labor and industry and the department of public health and human services in implementing a competitive integrated employment program as provided in [section 1].”
 8. The term “competitive integrated employment program” is defined in the bill as “work that is performed on a full-time or part-time basis for which an individual is paid at least the minimum wage as provided in 39-3-409 and that is not less than the customary rate paid by an employer for the same or similar work performed by employees who do not have disabilities and who have similar training, experience, and skills. The term may include self-employment if the work yields an income similar to that received by a self-employed individual who does not have disabilities but who has similar training, experience, and skills.” It is not clear exactly what work is envisioned for the OPI in this regard as the transition planning for students with disabilities happens at the school district level.
 9. The bill requires the OPI to prepare an annual report containing steps taken to comply with this bill, performance targets, barriers to implementation and possible solutions, and data on employer contacts, number of persons receiving publicly funded services, the type of services received, the types of jobs used for competitive integrated employment, and the number of competitive employment jobs that were filled. It is not clear if the bill is seeking to collect this data from schools as the OPI itself does not provide the transition services.
 10. The OPI estimates personal services costs for a program manager would be \$77,166 in FY 2020 and FY 2021, \$78,323 in FY 2022 and \$79,498 in FY 2023.
 11. Operating costs associated with the new FTE are estimated at \$9,000 per year including travel.
 12. One-time computer equipment and office furniture in FY 2020 is estimated at \$2,800.
 13. The OPI expenditures would be funded by state general fund.

Department of Health and Human Services (DPHHS)

14. The DPHHS estimates it would need 1.00 FTE program manager to review, develop, and coordinate various state policy, procedures, and plans to complete the responsibilities outlined in the bill.
15. Personal services costs for a program manager are estimated at \$76,659 in FY 2020 and FY 2021, \$77,809 in FY 2022 and \$77,976 in FY 2023.
16. Operating costs associated with the new FTE are estimated at 3% of personal services costs or about \$2,300 per year.
17. One-time computer equipment and office furniture in FY 2020 is estimated at \$2,800.
18. The DPHHS estimates the position would travel across the state to meet with various stakeholders and interested parties to both gather information and provide education on competitive integrated employment

Fiscal Note Request – As Introduced

(continued)

(CIE). Travel would include one trip per week for an average of 500 miles each trip. Estimated travel is \$7,254 per year.

19. The department estimates that reports would be published electronically resulting in no printing costs.

20. These expenses would be funded by 78.7% federal funds and 21.3% general fund.

Department of Labor and Industry (DoLI)

21. The DoLI already performs most of what this bill requires. There may need to be minor modifications to existing processes but would not require additional resources.

	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE (DPHHS)	1.00	1.00	1.00	1.00
FTE (OPI)	1.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services (DPHHS)	\$76,659	\$76,659	\$77,809	\$78,976
Operating Expenses (DPHHS)	\$12,354	\$9,554	\$9,697	\$9,843
Personal Services (OPI)	\$77,166	\$77,166	\$78,323	\$79,498
Operating Expenses (OPI)	\$11,745	\$8,945	\$9,079	\$9,215
TOTAL Expenditures	<u>\$177,924</u>	<u>\$172,324</u>	<u>\$174,908</u>	<u>\$177,532</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$107,871	\$104,474	\$106,041	\$107,632
Federal Special Revenue (03)	\$70,053	\$67,850	\$68,867	\$69,900
TOTAL Funding of Exp.	<u>\$177,924</u>	<u>\$172,324</u>	<u>\$174,908</u>	<u>\$177,532</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$107,871)	(\$104,474)	(\$106,041)	(\$107,632)
Federal Special Revenue (03)	(\$70,053)	(\$67,850)	(\$68,867)	(\$69,900)

Sponsor's Initials

Date

TL

Budget Director's Initials

2/20/19

Date