

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4075-01
Bill No.: HB 1321
Subject: Military Affairs; Children and Minors
Type: Original
Date: February 16, 2018

Bill Summary: This proposal requires the establishment of the “Missouri Youth Challenge Academy.”

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|----------------------|----------------------|----------------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| General Revenue | (\$2,607,787) | (\$2,417,649) | (\$2,358,730) |
| Total Estimated Net Effect on General Revenue | (\$2,607,787) | (\$2,417,649) | (\$2,358,730) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal from 2017 (HB 1004), officials from the **Department of Public Safety - Missouri National Guard (MNG)** stated the Missouri Youth Challenge Academy program was last operational in Missouri from 1999 - 2003. It is a 6 month, in-residence, program that was held at Camp Clark in Nevada MO. The MNG reached out to high school counselors to try to recruit youths that had dropped out of school and would be interested in the program. The Academy had 2 classes per year with approximately 215 participants per class. During this time period, approximately 800 students participated.

MNG stated they have tried several times since then to restart the program, without success. Currently, there is no federal funding for the program, so all of the funding would have to come from the state. If funding can be approved, the plans are to have it at Ft. Leonard Wood.

The MNG assumes the need for 37 FTE to reestablish this program:

- 1 Program Director (at \$68,000 annually)
- 1 Secretary (at \$28,000 annually)
- 1 Deputy Director (at \$60,000 annually)
- 1 Program Coordinator (at \$38,000 annually)
- 1 Rec/Placement/Mentor (at \$44,000 annually)
- 2 RPM Assistants (each at \$66,000 annually)
- 2 Case Managers (each at \$37,334 annually)
- 1 Medical Assistant (at \$16,917 annually)
- 1 Budget Officer (at \$38,000 annually)
- 1 Management Info Specialist (at \$38,000 annually)
- 1 Admin/Log Specialist (at \$30,000 annually)
- 1 Cadre Staff Supervisor (at \$46,000 annually)
- 1 Cadre Staff Supervisor Asst (at \$38,000 annually)
- 6 Cadre Shift Supervisor (each at \$24,063 annually)
- 16 Cadre Team Leaders (each at \$21,500 annually)

The total annual expense for personal service for these 37 FTE is approximately \$1.15 million, with an additional \$725,000 in fringe benefits.

ASSUMPTION (continued)

Additionally, the MNG assumes the need for equipment and expenses as follows:

| | | |
|---|------------------------|--------------------|
| • | computer equipment | \$24,000 |
| • | equipment cadre | \$10,000 |
| • | supplies | \$78,000 annually |
| • | 2 cars | \$30,000 |
| • | 2 trucks | \$40,000 |
| • | fuel | \$6,400 annually |
| • | class room supplies | \$40,000 |
| • | student clothing | \$40,000 annually |
| • | dorm room furniture | \$200,000 |
| • | student computers | \$200,000 |
| • | facility requirements | \$70,000 annually |
| • | services (instructors) | \$180,000 annually |
| • | other furniture | \$119,000 |
| • | in-state travel | \$10,000 annually |
| • | communications | \$4,400 annually |
| • | other expenses | \$5,287 annually |
| | TOTAL E&E | \$1,057,087 |

Oversight notes this proposal replaces the word “may” with “shall” regarding the establishment of the Missouri Youth Challenge Academy. Therefore, Oversight will reflect the costs as estimated by the MNG.

| <u>FISCAL IMPACT - State Government</u> | FY 2019 (10 Mo.) | FY 2020 | FY 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Cost - MNG</u> | | | |
| Personal Service (37 FTE) | (\$949,969) | (\$1,151,363) | (\$1,162,876) |
| Fringe Benefits | (\$600,731) | (\$724,272) | (\$727,700) |
| Expense and Equipment | <u>(\$1,057,087)</u> | <u>(\$542,014)</u> | <u>(\$468,154)</u> |
| <u>Total Costs - MNG</u> | <u>(\$2,607,787)</u> | <u>(\$2,417,649)</u> | <u>(\$2,358,730)</u> |
| FTE Change - MNG | 37 FTE | 37 FTE | 37 FTE |
| ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND | <u>(\$2,607,787)</u> | <u>(\$2,417,649)</u> | <u>(\$2,358,730)</u> |
| Estimated Net FTE Change for the General Revenue Fund | 37 FTE | 37 FTE | 37 FTE |

| <u>FISCAL IMPACT - Local Government</u> | FY 2019 (10 Mo.) | FY 2020 | FY 2021 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, the Adjutant General of the Missouri National Guard may establish the "Missouri Youth Challenge Academy" to provide positive interventions for at-risk school-age youth. This bill requires the Adjutant General to establish the academy.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Public Safety - Missouri National Guard

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
February 16, 2018

RS:LR:OD