

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

FISCAL NOTE, 2018 LEGISLATIVE SESSION

FISCAL NOTE 2018-HB1044B

HB 1044 revise the General Appropriations Act for fiscal year 2018.

Pursuant to Joint Rule 6C-1.2, this fiscal note seeks to determine the impact of HB1044 on the FY 2018 General Appropriations Act and FY 2018 General Fund receipts as approved by the 2017 Legislature.

FY 2018 Expenditures	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
Original FY2018 Budget Approved in the 2017 Session	13,862.0	1,586,728,625	1,630,562,445	1,333,796,323	4,551,087,393
HB 1044 Increased/(Decreased) Expenditures	1.5	6,112,918	9,530,782	19,894,371	35,538,071
FY 2018 General Appropriations Act as Impacted by HB 1044 (JCA Engrossed)	13,863.5	1,592,841,543	1,636,093,227	1,352,690,694	4,586,625,464

FY 2018 Revenues	General Fund Revenues
Original FY 2018 General Fund Receipts - Adopted in 2017 Session	1,590,098,880
HB 1044 Printed Version One-Time General Fund Receipts	10,826,305
FY 2018 General Fund Receipts - as Impacted by HB 1044	1,600,925,185

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
<u>Agriculture</u> - Agriculture - Animal Industry Board Expenditure Authority - Increase in other fund expenditure authority for the Animal Disease Research Diagnostic Lab bond payment.				3,349,713	3,349,713
<u>Attorney General</u> - Attorney General - Other Fund Expenditure Authority -				515,000	515,000
<u>Attorney General</u> - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		8,737	1,542	10,020	20,299
<u>Board of Regents</u> - Board of Regents Expenditure Authority - Increase in other fund expenditure authority due to an increase in student fees.				5,900,000	5,900,000
<u>Board of Regents</u> - REED Network Technology Costs - reduction to align budget with anticipated expenditures.		(370,656)			(370,656)
<u>Board of Regents</u> - Multi Agency - Utility Increases - Changes in projections for utility costs.		264,764			264,764
<u>Bureau of Administration (BOA)</u> - Bureau of Admin - Obligation Recovery Center increase in general funds, but a net impact of \$0.		320,000			320,000
<u>Bureau of Finance and Management (BFM)</u> - Health Insurance Reserve - Full Funding - Health Insurance including Board of Regents		5,699,568	2,186,031	3,917,331	11,802,930
<u>Bureau of Finance and Management (BFM)</u> - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		767		38,582	39,349
<u>Bureau of Information and Telecommunications (BIT)</u> - State Radio - State Radio Tower		300,000			300,000
<u>Bureau of Information and Telecommunications (BIT)</u> - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		3,552	63	26,445	30,060
<u>Corrections</u> - Community Providers - One-time bonus for direct care workers for certain providers.		38,874	47,976		86,850
<u>Corrections</u> - Community Providers 2% inflation all others 0.5% for 3 months		44,329	17,163		61,492
<u>Corrections</u> - Community Providers - Raise all providers to 90% for last three months of the fiscal year.		25,546			25,546
<u>Corrections</u> - Correctional Pay Adjustment - Correctional Pay Adjustments		88,642			88,642
<u>Corrections</u> - Corrections Federal Authority - Additional federal fund authority			140,171		140,171
<u>Corrections</u> - DOC Operations - Reductions in Juvenile Community Corrections due to declining population and reduction of ten Medicaid beds.		(483,448)	(595,426)		(1,078,874)
<u>Corrections</u> - DOC Operations - Increases for food services.		174,841	(3,223)		171,618
<u>Corrections</u> - DOC Operations - Increases for two correctional officers at Pierre Community Work Center.		73,720			73,720

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
Corrections - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		114,060	117	2,602	116,779
Corrections - Multi Agency - Utility Increases - Changes in projections for utility costs.		84,135			84,135
Corrections - State Treatment and Rehabilitation (STAR) Academy - reduction due to sale of property.		(225,000)			(225,000)
Corrections - State Treatment and Rehabilitation (STAR) Academy - Additional funding needed due to the delay in the sale of the STAR Academy.		55,000			55,000
Education - DOE Operations - Changes in funding sources for Career and Technical Education.			(112,780)	314,401	201,621
Education - Dual Credit - Change due to enrollment increases of 2,882 more than previously budgeted.		226,982			226,982
Education - Dual Credit - Change due to additional enrollment increases of 4,669.		451,330			451,330
Education - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		23,943	5,719	11,519	41,181
Education - State Aid One-Time - 0.7% One-Time Payment		5,418,546			5,418,546
Education - State Aid Revision - State Aid to Special Education revision due to reduced local effort (property valuations and lost local effort) and increase of 191 students.		4,070,318			4,070,318
Education - State Aid Revision - State Aid to General Education revision due to increased student enrollments of 449, increased number of English Language Learner students, and lower local property tax effort than estimated.		4,756,889			4,756,889
Education - State Aid Revision - State Aid Sparsity payment reduction.		(8,550)			(8,550)
Education - Technical Education - Lake Area Technical Institute		250,000			250,000
Education - Technical Institute Revision - due to increase of 103 full time equivalent students.		358,469			358,469
Environment and Natural Resources - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		2,749	2,227	1,699	6,675
Game, Fish and Parks - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.			52	37,572	37,624
Governor's Office - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		388			388
Health - Community Providers 2% inflation all others 0.5% for 3 months				1,568	1,568
Health - Correctional Healthcare Updated DOH - Increased estimated costs for the correctional healthcare system.				470,637	470,637

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
Health - DOH Family and Community Health Adjustment - Adjustment in funding			75,000	(75,000)	0
Health - DOH Operations - Move three pharmacy staff from contracted employees in the Department of Health to state employees in the Department of Social Services.				(143,341)	(143,341)
Health - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		9,369	24,879	13,800	48,048
Human Services - Additional Authority			1,000,000	900,000	1,900,000
Human Services - Community Providers - One-Time - One-time bonus for direct care workers for certain providers.		631,411	814,882		1,446,293
Human Services - Community Providers 2% inflation all others 0.5% for 3 months		311,715	405,703	27,410	744,828
Human Services - Community Providers Raise to 90% - Raise all providers to 90% for last three months of the fiscal year.		39,630	48,909		88,539
Human Services - DHS Operations - Personal services right-sizing		(627,088)	(773,912)		(1,401,000)
Human Services - DHS Operations - Developmental Disabilities utilization and costs		(854,356)	(1,103,829)		(1,958,185)
Human Services - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		12,708	29,988	1,263	43,959
Human Services - Multi Agency - Utility Increases - Changes in projections for utility costs.		(8,526)	(10,521)		(19,047)
Labor and Regulation - Banking Fund Conversion			(162,000)	162,000	0
Labor and Regulation - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		1,132	16,365	3,474	20,971
Military - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		477	1,246	11	1,734
Military - Multi Agency - Utility Increases - Changes in projections for utility costs.		21,915	67,392		89,307
Public Safety - DPS Driver Licensing - Federal fund expenditure authority for a photo verification system for CDL holders.			1,000,000		1,000,000
Public Safety - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		1,444	5,677	25,358	32,479
Public Safety - State Radio - Align the budget with anticipated expenditures.		(100,000)			(100,000)
School and Public Lands - School and Public Lands Authority - Additional other fund authority				78,850	78,850
Secretary of State - SOS Ballot Marking Machines - Federal fund expenditure authority for the purpose of granting HAVA funds to counties to upgrade voting machines for disabled voters.			2,044,315		2,044,315
Secretary of State - SOS Operations - Document digitization and one-time software/website programming for the business services division.				87,000	87,000

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
Social Services - Additional Authority -			4,000,000	2,000,000	6,000,000
Social Services - Community Providers - One-Time - One-time bonus for direct care workers for certain providers.		1,332,560	1,263,841		2,596,401
Social Services - Community Providers 2% inflation all others 0.5% for 3 months		1,295,093	1,020,420	1,758	2,317,271
Social Services - Community Providers Raise to 90% - Raise all providers to 90% for last three months of the fiscal year.		630,089	704,940		1,335,029
Social Services - DHS Incentive Pay - HSC Weekend Differential Pay		98,495			98,495
Social Services - DOH Operations - Move three pharmacy staff from contracted employees in the Department of Health to state employees in the Department of Social Services.	1.5			143,341	143,341
Social Services - DSS Child Protection Federal - Additional federal fund authority			2,500,000		2,500,000
Social Services - DSS Operations - Decreases - Reductions in Auxiliary Placement		(261,791)	(184,884)		(446,675)
Social Services - DSS Operations - Decreases - Fund Swap Other Funds for Auxiliary Placement using Supplemental Nutrition Assistance Program incentive funds		(770,599)		770,599	0
Social Services - DSS Operations - Decreases - Reductions in Medicaid and CHIP (\$4.7M General Funds) and Long Term Services and Supports (\$2.1M General Funds)		(6,827,060)	(6,280,436)		(13,107,496)
Social Services - DSS Operations - Decreases - Replace general funds with DSS cash from Prescription Drug Rebate		(2,000,000)			(2,000,000)
Social Services - DSS Operations - Decreases - Replace general funds with DSS cash in Temporary Assistance for Needy Families		(2,700,000)	2,700,000		0
Social Services - DSS Operations - Decreases - Reductions in Juvenile Justice Reinvestment Initiative		(867,289)			(867,289)
Social Services - DSS Operations - Decreases - Replace general funds with DSS cash in Temporary Assistance for Needy Families		(300,000)	300,000		0
Social Services - DSS Transfer - One-time transfer of \$200,000 in general funds from operating to personal services					0
Social Services - Homemaker Fees - Funding swap from general funds to other funds		(1,000,000)		1,000,000	0
Social Services - Medicaid Revision - Reductions in enrollments and utilization		(4,000,000)	(1,911,559)		(5,911,559)
Social Services - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		189,815	244,457	912	435,184
Social Services - Multi Agency - Utility Increases - Changes in projections for utility costs.		79,767			79,767

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
South Dakota Retirement System - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.				21,210	21,210
South Dakota Retirement System - SDRS Computer Services - Additional other fund authority for a one-time computer software system upgrade.				100,000	100,000
State Auditor - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		124			124
State Treasurer - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		344		2,720	3,064
Transportation - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.				130,421	130,421
Transportation - Multi Agency - Utility Increases - Changes in projections for utility costs.				76,496	76,496
Tribal Relations - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		348			348
Unified Judicial System - Community Providers 2% inflation all others 0.5% for 3 months		3,997			3,997
Unified Judicial System - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		5		2,273	2,278
Veterans' Affairs - Multi Agency - Bureau Billings Distribution - Increase due to higher than budgeted internal service rates charged by the bureaus.		694	277	6,391	7,362
Veterans' Affairs - Multi Agency - Utility Increases - Changes in projections for utility costs.				(39,664)	(39,664)
Veterans' Affairs - State Vet's Home Transfer - Transfer of \$50,000 in other fund authority from operating expenses to personal services.					0

Approved: /s/ Jason Hancock
Director, Legislative Research Council

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