

SF402 - 0 - Community Solutions for Healthy Child Development

Chief Author: **Mary Kunesh**  
 Committee: **Health And Human Services**  
 Date Completed: **2/13/2023 12:58:01 PM**  
 Agency: **Health 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	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	19,000	20,000	20,000	20,000
<b>Total</b>	<b>-</b>	<b>19,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Biennial Total</b>			<b>39,000</b>		<b>40,000</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	12.5	12.5	12.5	12.5
<b>Total</b>	<b>-</b>	<b>12.5</b>	<b>12.5</b>	<b>12.5</b>	<b>12.5</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Kate Schiller      **Date:** 2/13/2023 12:58:01 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>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
General Fund	-	19,000	20,000	20,000	20,000	20,000
<b>Total</b>	<b>-</b>	<b>19,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
	<b>Biennial Total</b>		<b>39,000</b>		<b>40,000</b>	
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	19,000	20,000	20,000	20,000	20,000
<b>Total</b>	<b>-</b>	<b>19,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
	<b>Biennial Total</b>		<b>39,000</b>		<b>40,000</b>	
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Biennial Total</b>		<b>-</b>		<b>-</b>	

**Bill Description**

The bill establishes a Community Solutions for Healthy Child Development Grants Program in Minnesota Statutes, section 145.9285. The bill establishes a 12-member advisory council and compensates members under Minnesota Statutes, section 15.059. The bill appropriates \$19,000,000 in fiscal year 2024, and \$20,000,000 in fiscal year 2025.

**Assumptions**

We assume that the level of staffing needed to implement the bill includes 12.50 FTE staff including a program manager, program supervisor, planners, management analysts, and research analysts. The planners will oversee the grantees and provide technical assistance and training where needed to meet the needs of the grant as outlined in the grantee workplans and budgets. The management analysts will provide fiscal oversight and fiscal support to grantees to ensure proper spending and assistance with invoice tracking and spenddown. The research analysts will provide evaluation support to grantees to track individual and collective impacts of the programs implemented, perform evaluation capacity assessments, and provide evaluation technical assistance. They will also work closely with external evaluators to develop and implement shared outcome measurements and disseminate evaluation findings.

The bill requires the establishment of a 12-member advisory council and permits compensation under Minnesota Statutes, section 15.059, and therefore incidental expense reimbursement under 43A.18, subdivision 2. We estimate compensation and incidental expense reimbursement to be \$110 per member per meeting. We assume the council will meet at least quarterly and require other small expenses such as meeting space rental for a total of \$7,680 per year.

The bill requires the department to contract with a third-party entity for program evaluation and to build the evidence base for further actions. Based on our experience with other major evaluations, we estimate four contracts per year, totaling \$1,000,000 per year.

Of the total appropriation, we assume that \$15,580,000 in fiscal year 2024 and \$16,580,000 in fiscal year 2025 and each year thereafter is for approximately 80 grants per year. Additionally, there will be in-state travel costs for approximately two grantee site visits annually to approximate 80 eligible organizations at \$27,612 annually.

**Expenditure and/or Revenue Formula**

Expenditure (Actual Dollars)	Amount	FY 2024	FY 2025	FY 2026	FY 2027
Salary & Fringe:		FTE	FTE	FTE	FTE

Health Program Manager Senior	151,000	1.00	1.00	1.00	1.00
Planning Program Supv	144,965	0.50	0.50	0.50	0.50
Planner Principal State	129,602	7.00	7.00	7.00	7.00
Management Analyst 3	116,165	2.00	2.00	2.00	2.00
Research Analysis Spec Sr	129,602	2.00	2.00	2.00	2.00
	<b>FTE</b>	<b>12.50</b>	<b>12.50</b>	<b>12.50</b>	<b>12.50</b>
	<b>Subtotal</b>	<b>1,622,231</b>	<b>1,622,231</b>	<b>1,622,231</b>	<b>1,622,231</b>
<b>Information Technology:</b>					
	<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Operating Costs:</b>					
Council expenses (member compensation and rental spaces)		7,680	7,680	7,680	7,680
P/T Evaluation Contracts (n= 4)		1,000,000	1,000,000	1,000,000	1,000,000
Travel statewide for site visits		27,612	27,612	27,612	27,612
	<b>Subtotal</b>	<b>1,035,292</b>	<b>1,035,292</b>	<b>1,035,292</b>	<b>1,035,292</b>
<b>Grants, Aids &amp; Subsidies:</b>					
Grants to CBO/Tribal grantees (n= 80)		15,580,000	16,580,000	16,580,000	16,580,000
	<b>Subtotal</b>	<b>15,580,000</b>	<b>16,580,000</b>	<b>16,580,000</b>	<b>16,580,000</b>
<b>Indirect (20.3% Eligible Costs)</b>	<b>Subtotal</b>	<b>762,777</b>	<b>762,777</b>	<b>762,777</b>	<b>762,777</b>
<b>Expenditure</b>	<b>Total</b>	<b>19,000,300</b>	<b>20,000,300</b>	<b>20,000,300</b>	<b>20,000,300</b>
<b>Fiscal Tracking (Dollars in Thousands)</b>		<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Health Improvement BACT 01</b>		<b>19,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
Administration		3,420	3,420	3,420	3,420
Grants		15,580	16,580	16,580	16,580

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Char Kimber

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