



Senate

General Assembly

File No. 30

January Session, 2003

Substitute Senate Bill No. 822

Senate, March 18, 2003

The Committee on Human Services reported through SEN. HANDLEY of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE BOARD OF EDUCATION AND SERVICES FOR THE BLIND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 4-9a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (a) The Governor shall appoint the chairperson and executive
5 director, if any, of all boards and commissions within the Executive
6 Department, except the Board of Governors of Higher Education,
7 provided the Governor shall appoint the initial chairman of said board
8 as provided in section 10a-2, the State Properties Review Board, the
9 State Elections Enforcement Commission, the Commission on Human
10 Rights and Opportunities, the State Ethics Commission, the
11 Commission on Aging, the Board of Education and Services for the
12 Blind and the Commission on Fire Prevention and Control.

13 Sec. 2. Section 10-294 of the general statutes is repealed and the
14 following is substituted in lieu thereof (*Effective from passage*):

15 The [Governor] Board of Education and Services for the Blind shall
16 appoint an executive director of the board. [in accordance with the
17 provisions of section 4-9a.] The compensation of said director shall be
18 determined in the manner provided in section 4-40. No member of the
19 board shall receive compensation for services rendered unless such
20 services are special and specially requested by the board, in which case
21 a moderate allowance may be made for the time actually spent. The
22 certificate of the director of the amount of any bill for such services and
23 expenses shall be sufficient warrant to the Comptroller for the
24 payment of the same.

25 Sec. 3. Section 10-298a of the general statutes is repealed and the
26 following is substituted in lieu thereof (*Effective from passage*):

27 [The Board of Education and Services for the Blind is authorized (1)
28 to]

29 There shall be an Industries Division within the Board of Education
30 and Services for the Blind. There shall be a director of said division,
31 who shall be provided with sufficient staff. The division shall (1)
32 maintain and develop workshops for training and employing blind
33 persons in trades and occupations suited to their abilities, for the
34 purpose of producing suitable products and services used by
35 departments, agencies and institutions of the state and its political
36 subdivisions, including, but not limited to towns, cities, boroughs and
37 school districts; (2) [to] aid blind persons in securing employment, in
38 developing home industries and in marketing their products and
39 services; and (3) [to] develop and implement rules and guidelines to
40 guarantee that the dignity and rights of citizens involved in such
41 workshops and work training programs shall be maintained.

This act shall take effect as follows:	
Section 1	<i>from passage</i>

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Board of Education and Services for the Blind	GF - Cost	Significant	Significant
BESB - Restricted Non-Lapsing Industries Account	Cost	Potential Significant	Potential Significant
BESB - Restricted Non-Lapsing Industries Account	Revenue Gain	Potential Significant	Potential Significant

Note: GF=General Fund

Note: Significant Reflects Impact Greater than \$100,000

Municipal Impact: None

Explanation

The bill makes two changes to the Board of Education and Services for the Blind (BESB): 1) it changes the authority to appoint the executive director of the Board of Education and Services for the Blind from the governor to the board itself; and 2) it requires that there be an Industries program within BESB. It is anticipated that changes to the appointment of executive director will not result in additional cost to the department, however, the Industries Program impact is identified below.

Industries Program - Prior to January 2003

The Industries Program within the BESB ceased operation in January 2003 as a result of layoffs. Prior to that, the program provided employment for legally blind adults. BESB had contracts with the National Industries for the Blind (NIB) to produce military t-shirts and other products for the federal government (represented 75% of the revenue into the Industries account). In addition, the program issued products to state agencies such as the Departments of Mental Health

and Addiction Services and Corrections, and the UConn Health Center (represented 25% of the revenue into the Industries account). The program operated from two funding sources - General Fund appropriation and revenue from contracts for products. The General Fund provided for Personal Services costs of the 12 permanent full-time positions and Other Expenses costs, including leasing and utilities. The revenue from the sales receipts was deposited into the restricted non-lapsing Industries account, which supported the following 120 staff/employees: 24 full-time staff (NP-7 Collective Bargaining Unit); 6 full-time sighted employees; 1 part-time sighted employee; and 89 blind workers (of which 26 were Department of Mental Retardation clients).

The restricted non-lapsing Industries account paid for expenses in the program, including the staff and workers, fringe benefits, manufacturing supplies, and other operational costs. The following table reflects the FY 02 Industries Program Revenue and Expenditures:

Restricted Non-Lapsing Account	FY 02
Expenditures	\$4,430,922
Revenue (receipts)	\$4,245,279
Net difference	(\$185,643)
BESB General Fund	FY 02
Personal Services	\$577,185
Other Expenses	\$525,345
Total BESB General Fund	\$1,102,530

Fringe benefits for the 12 General Fund positions (estimated at \$244,092) were paid from the Comptroller’s Fringe Benefits Account - General Fund.

Impact of the Bill

The bill requires that BESB provide an Industries Division to maintain and develop workshops for the training and employing of

blind people in trades and occupations and requires the division be provided with a director and suitable staff. Significant start-up costs will be incurred to hire staff, position workers for employment, and set up the workshop similar to the established program prior to January. It should be noted that these costs would be incurred prior to receiving revenue on sales. The cost resulting from this bill in FY 04 and FY 05 may vary from \$200,000 (salary and fringe benefits and Other Expense support for 2 staff) to the \$5.8 million of the previous program's annual operational costs (including salaries, worker wages, fringe benefits, materials, supplies, rent, utilities and other operational costs). These operational costs do not include the procurement of industrial equipment.

The revenue may also vary depending on the value of contracts acquired (and resulting receipts deposited into the account). As with the previous Industries program, the revenue depends on the program's ability to generate sales by acquiring contracts for products/services and establish a production schedule. Therefore, the level of revenue that would support this program is uncertain. When the Industries program ceased operation in January of 2003, this interrupted an existing production schedule, which was established to meet contractual obligations. This would lead to uncertainties in implementing the provisions of the bill (if a similar program was established) such as acquiring new contracts, equipment and inventory (the previously used equipment has been or is in the process of being transferred to other agencies or state surplus). It should be noted that the expenditures to date exceed the revenues to date in the restricted Industries account.

OLR Bill Analysis

sSB 822

AN ACT CONCERNING THE BOARD OF EDUCATION AND SERVICES FOR THE BLIND**SUMMARY:**

This bill transfers to the Board of Education and Services for the Blind (BESB), from the governor, the authority to appoint BESB's executive director.

The bill requires, rather than allows, BESB to provide a workshop division for training and employing blind people in suitable trades and occupations. It also (1) names the workshop division the Industries Division and (2) requires the division to have a director who is provided with sufficient staff.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Change of Reference

Yea 10 Nay 4

Human Services Committee

Joint Favorable Substitute

Yea 16 Nay 0