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FISCAL NOTE(Form 2)  
(Office of Fiscal Analysis)  
Analyst: EG/LV 4/13/92  
kr  
Version:

BILL NUMBER: SB 473  
FILE NUMBER:  
AMENDMENTS:

TITLE: "AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE COMMISSION TO EFFECT GOVERNMENT REORGANIZATION CONCERNING HUMAN SERVICES"

FAVORABLY REPORTED BY Human Services, Government Administration and Elections

SUMMARY: The bill provides for the General Assembly to adopt the recommendations of the Commission to Effect Government Reorganization concerning human services. The bill implements plans to consolidate the various State Health and Human Services Agencies into four State agencies: a Department of Social Services, a Department of Public Health and Addiction Services, a Department of Developmental and Rehabilitative Services, and a Department of Children and Families.

The bill provides for the Secretary of the Office of Policy and Management to direct the implementation of the reorganization, in consultation with the chairpersons and ranking members of the Joint Standing Appropriations, Human Services and Public Health Committees. The Secretary of the Office of Policy and Management is required to report the following to the Joint Standing Appropriations, Human Services and Public Health Committees: (1) On or before January 1, 1993, a plan for the transfer of programs to the Department of Social Services and the Department of Public Health and Addiction Services, including suggested legislation to be effective July 1, 1993; (2) on or before January 1, 1994, a plan for the transfer of programs to the Department of Developmental and Rehabilitative Services, including suggested legislation to be effective July 1, 1994; (3) on or before January 1, 1994, a progress report detailing the operations of the Departments of Social Services and Public Health and Addiction Services with a schedule for full implementation to be completed by July 1, 1995; (4) on or before January 1, 1995, a progress report detailing the operations of the Department of Developmental and Rehabilitative Services with a schedule for implementation to be completed by July 1, 1995, and (5) on or before July 1, 1995, a final report on the full implementation of the reorganization.

Such reports by the Secretary of the Office of Policy and Management are to include, as appropriate: (1) an analysis of cost savings, costs incurred and projected costs; (2) the impact of the reorganization on current collective bargaining agreements; (3) consideration of the impact of the reorganization on the physical space, facilities and institutions of the agencies; and (4) schedules to fully implement the reorganization as soon as reasonably possible but no later than July 1, 1995.

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER SB 473

STATE IMPACT	Uncertain, see explanation below
MUNICIPAL IMPACT	Uncertain, see explanation below
STATE AGENCY(S)	Office of Policy and Management, Various State Agencies

EXPLANATION OF ESTIMATES:

While it is anticipated that the consolidation of the State's Health and Human Services Agencies would result in a savings to the State in the future, the extent of this savings is uncertain at this time.

Given the complicated nature of a cost and savings analysis associated with agency mergers and program transfers, the fiscal impact upon the State and municipalities that would result from reorganizing the Health and Human Services Agencies of the State cannot be determined at this time. The bill provides for this by directing the Secretary of the Office of Policy and Management (OPM) to submit plans and reports to the Joint Standing Appropriations, Human Services and Public Health Committees which would include definitive analyses of the cost and savings associated with the reorganization, prior to its actual implementation. It is anticipated that expenses associated with developing the reports by the OPM can be absorbed through the normal operating budget of the OPM.