



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0313: Establish a grant program for aquatic recreational facilities

Primary Sponsor: Paul Tuss Status: As Introduced

Included in the Executive Budget Needs to be included in HB 2 Significant Local Gov Impact

Significant Long-Term Impacts Technical Concerns Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
General Fund (01)	\$5,000,000	\$31,714	\$91,610	\$92,984
State Special Revenue (02)	\$818,958	\$1,513,542	\$1,455,000	\$1,212,500
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0
Net Impact	<u>(\$5,000,000)</u>	<u>(\$31,714)</u>	<u>(\$91,610)</u>	<u>(\$92,984)</u>
General Fund Balance				

Description of fiscal impact

HB 313 transfers \$5 million from the general fund to establish a public swimming pool infrastructure grant program at the Department of Commerce. The department estimates it will require \$366,308 over the next two biennia to administer the program, of which \$150,000 is provided for in the bill.

FISCAL ANALYSIS

Assumptions


Department of Commerce

1. HB 313 transfers \$5 million from the general fund to a state special revenue account administered by the Department of Commerce and appropriates the \$5 million from the state special revenue account to the department. Up to 3% of the \$5 million can be used for administrative costs.
2. It is assumed the full \$5 million, less any administrative costs not exceeding 3%, will be awarded as grants to nonprofit organizations and local governments.
3. Section 5 establishes match requirements of at least \$1 in value for each \$5 of the grant, for grants of \$25,000 or more.
4. Section 6 sets the maximum grant amount at \$500,000. However, based on the match requirement and the limited availability of local funding, it is estimated that the average grant amount will be \$100,000. Assuming the full 3% will be used for admin, reducing the amount available for grants to \$4,850,000, the number of grants awarded would 49.
5. The bill calls for the department to adopt guidelines, receive proposals, and review applications for the grants. Before disbursing funds the department will verify match and enter into an agreement with each grantee.

6. Given the match requirement, and the time it takes to establish guidelines, request and receive applications, and draft the contracts, it is estimated that the department would award 15% of the grants in FY 2026, 30% in each FY 2027 and FY 2028, and 25% in FY 2029.
7. The department will track the outcomes of the projects to ensure all requirements of the grant agreement are satisfied.
8. Based on existing grant programs, the workload required to perform these duties for 49 grant awards will require the equivalent of 0.75 FTE and associated operating costs such as travel, supplies, and overhead. The resulting administrative expenses will be \$91,458 in FY 2026, \$90,256 in FY 2027, \$91,610 in FY 2028, and \$92,984 in FY 2029, for a total of \$366,308 over the next two biennia.
9. The bill provides \$150,000 (3% x \$5 million) for administrative costs. The agency assumes the remaining administrative costs will be paid from the general fund.

Fiscal Analysis Table

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
<u>Fiscal Impact</u>				
FTE	0.75	0.75	0.75	0.75
TOTAL Fiscal Impact	0.75	0.75	0.75	0.75
<u>Expenditures</u>				
Personal Services	\$69,987	\$71,737	\$72,814	\$73,906
Operating Expenses	\$21,471	\$18,519	\$18,796	\$19,078
Transfers	\$5,000,000	\$0	\$0	\$0
Grants	\$727,500	\$1,455,000	\$1,455,000	\$1,212,500
TOTAL Expenditures	\$5,818,958	\$1,545,256	\$1,546,610	\$1,305,484
<u>Funding of Expenditures</u>				
General Fund (01)	\$5,000,000	\$31,714	\$91,610	\$92,984
State Special Revenue (02)	\$818,958	\$1,513,542	\$1,455,000	\$1,212,500
TOTAL Funding of Expenditures	\$5,818,958	\$1,545,256	\$1,546,610	\$1,305,484
<u>Revenues</u>				
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0
TOTAL Revenues	\$5,000,000	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$5,000,000)	(\$31,714)	(\$91,610)	(\$92,984)
State Special Revenue (02)	\$4,181,042	(\$1,513,542)	(\$1,455,000)	(\$1,212,500)



 Sponsor's Initials

1/30/25

 Date



 Budget Director's Initials

1/30/2025

 Date