

Date of State Budget Office Approval:

Date Requested: Friday, May 02, 2014

Date Due: Monday, May 12, 2014

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2014	N/A	FY 2014	N/A
FY 2015	\$368,399	FY 2015	\$0
FY 2016	\$514,350	FY 2016	\$0

Explanation by State Budget Office:

This bill establishes the Community Senior Services Grant Program within the Division of Elderly Affairs, replacing the current system of legislative grants to municipalities for these services. Funding in FY 2015 would be the greater of the FY 2014 appropriation, or an amount equal to \$5.00 per each non-institutionalized adult age 65 and over as reported by the 2010 Bureau of the Census. In absence of a municipal operated senior center, in consultation with the municipal Chief Elected/Appointed Official, funding would be awarded to community non-profit agencies operating senior centers or senior programs. Funding will increase each year by \$1.00 per each non-institutionalized adult age 65 and over until reaching \$10.00 in FY 2020.

To be eligible for the grant, a municipality or non-profit agency must contribute an amount equal to the support it provided in FY 2014, either of cash or in-kind resources, and submit to the division a plan detailing the services that would be provided with grant funds. Further, each grantee would have to demonstrate the existence of, or plans to establish, a local senior advisory committee, which shall provide advice to local officials and members of the legislature on the service needs and interests of persons age 65 and older.

Comments on Sources of Funds:

Funding would be derived from general revenues.

Summary of Facts and Assumptions:

1. This note assumes an effective date of July 1, 2014 for this bill. Therefore, there is no fiscal impact reported in FY 2014.

2. Per the 2010 US Census, the total population age 65 years and older in the State of Rhode Island is 151,881 and the total number of Rhode Islanders age 65 and older reside in nursing facilities is 7,451. For purposes of this analysis, residence in a nursing facility will constitute institutionalized status. Consequently, the non-institutionalized Rhode Island population age 65 and older is 144,430.

3. As a result, under this grant \$722,150 would be awarded in FY 2015, \$866,580 in FY 2016, \$1,011,010 in FY 2017, \$1,155,440 in FY 2018, \$1,299,870 in FY 2019, and \$1,444,300 in FY 2020. Because the estimate is heavily reliant upon the definition of "institutionalized", the total fiscal impact of this legislation could vary significantly should a different definition be employed.

4. Upon consultation with the agency, it was estimated that an additional 0.5 FTE

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position would be necessary to assist with the revised calculation and the distribution of the grant money. Utilizing the Division's average cost per FTE position, \$51,084 was added to the fiscal impact in FY 2015, increased by 3.0% in each successive year, in accordance with the average year-over-year increase between FY 2013 and FY 2015.

5. The fiscal impact is estimated based upon the difference between the FY 2014 enacted level of funding and the funding as calculated by the new formula, plus the additional personnel costs in each year. For purposes of this analysis the current level of funding is assumed to remain constant through FY 2020. In FY 2014 the enacted level of funding is \$404,836.

*Summary of Fiscal
Impact:*

FY 2014: N/A
FY 2015: \$368,399
FY 2016: \$514,350
FY 2017: \$660,348
FY 2018: \$806,392
FY 2019: \$952,484
FY 2020: \$1,098,625

Budget Office Signature:



Fiscal Advisor Signature:

