

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 699 - HB 828

April 3, 2009

SUMMARY OF BILL: Transfers the Division of Vocational Rehabilitation and the determination of disability under the federal social security law from the Department of Human Services (DHS) to the Department of Labor and Workforce Development (LWFD).

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$3,270,000/One-Time

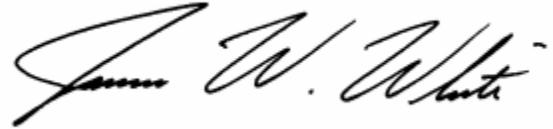
Other Fiscal Impact - Shifts the \$53,000,000 budget of the Disability Determinations section from DHS to LWFD. The \$79,000,000 budget of the Division of Vocational Rehabilitation would also be shifted from DHS to LWFD. The total shift in funds from DHS to LWFD is estimated to be \$132,000,000.

Assumptions:

- According to information obtained by LWFD, the disability determinations section of DHS employs 579 individuals and the Vocational Rehabilitation Division employs 75 individuals. The cost to transfer these positions to LWFD will be approximately \$5,000 per employee for office space and other set-up costs. This results in a one-time increase in state expenditures of \$3,270,000 ($\$5,000 \times 654 = \$3,270,000$).
- The \$53,000,000 budget of the disability determinations section and the \$79,000,000 budget of the Vocational Rehabilitation Division will be shifted from DHS to LWFD. The total shift in funds is estimated to be \$132,000,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/cce