

Multiple Agency Fiscal Note Summary

Bill Number: 1903 E S HB AMS WM S3134.1	Title: Job development fund
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Estimated Cash Receipts

Agency Name	2005-07		2007-09		2009-11	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost. Please see discussion."					
Community, Trade, and Economic Development	0	38,511,643	0	50,203,743	0	50,203,743
Total \$	0	38,511,643	0	50,203,743	0	50,203,743

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2005-07			2007-09			2009-11		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Joint Legislative Audit and Review Committee	.9	187,500	187,500	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Community, Trade, and Economic Development	2.2	0	38,932,529	2.2	0	50,609,229	2.2	0	50,609,229
Total	3.1	\$187,500	\$39,120,029	2.2	\$0	\$50,609,229	2.2	\$0	\$50,609,229

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

Because an appropriation is required to deposit Public Works Assistance Account (PWAA) funds into the new Job Development Fund (Section 4), the Expenditures section of this fiscal note shows the amount from the PWAA and the Cash Receipts section shows the amount deposited to the new fund to cover costs of the program. This makes expenditures appear higher than the amount in the fund. In fact, the total amount of state funds "out the door" will be those spent from the Job Development Fund.

Please also see the Capital section of the Department of Community, Trade and Economic Development fiscal note to see the amount assumed for projects.

Prepared by: Robin Campbell, OFM	Phone: 360-902-0575	Date Published: Final 4/15/2005
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 12075

Individual State Agency Fiscal Note

Bill Number: 1903 E S HB AMS WM S3134.1	Title: Job development fund	Agency: 014-Joint Leg. Audit & Review Committee
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	1.8	0.0	0.9	0.0	0.0
Fund					
General Fund-State 001-1	187,500	0	187,500	0	0
Total \$	187,500	0	187,500	0	0

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/12/2005
Agency Preparation: Curt Rogers	Phone: 360 786-5188	Date: 04/13/2005
Agency Approval: Ann Daley	Phone: 360-786-5175	Date: 04/14/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 04/14/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 2, Subsection (1) of this bill establishes the job development fund program to provide loans and grants to political subdivisions of the state for public infrastructure projects that will stimulate job creation or assist in job retention. The program is to be administered by the Public Works Board (PWB).

Section 2, Subsection (5) directs that the Board, with the Joint Legislative Audit and Review Committee (JLARC), develop performance criteria for each loan and grant and evaluation criteria to be used to evaluate both how well successful applicants met the community and economic development objectives stated in their applications, and how well the job development fund program performed in creating and retaining jobs.

Section 5, Subsection (1) of the bill directs JLARC to conduct an inventory of all state public infrastructure programs and funds. The inventory is to identify: 1) the public infrastructure state programs and funds and the purposes each serve; 2) how the program or fund is implemented; 3) the types of public infrastructure projects supported by the program or fund; 4) the dollar amount of the projects funded by each program or fund; 5) the balance of a fund, if applicable; and 6) the geographic distribution of projects supported by a program or fund.

Where appropriate, the inventory is to evaluate the return on investment for economic development infrastructure programs. The inventory is due to the appropriate legislative committees by December 1, 2005.

Section 5, Subsection (2) of the bill directs JLARC to submit a report on the outcomes of the Job Development Fund Program to the Legislature by September 1, 2010. The report is to apply the performance and evaluation criteria developed by the Board and JLARC, and is to include a project by project review detailing how the funds were used and whether the performance measures were met. The report is to also include impacts to the availability of low-interest and interest-free loans to local governments resulting from appropriations to the Job Development Fund.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

FOR THIS FISCAL NOTE, JLARC ASSUMES THAT THE LEVEL OF ITS CURRENT WORKLOAD, COVERING PERFORMANCE AUDITS AND STUDIES OF THE REST OF STATE GOVERNMENT, WOULD REMAIN ROUGHLY THE SAME FOR FUTURE BIENNIA AS IN THE 2003-05 BIENNIUM.

Section 2, Subsection (5): Development of Performance and Evaluation Criteria

JLARC estimates that working with PWB to develop these agreed to standards for the 2010 audit of the Board’s performance in implementing the Job Development Fund Grant Program will require three (3) audit months during fiscal year 2006. At a rate of \$12,500 per audit month, total JLARC staff costs for this brief, targeted effort would be \$37,500.

Section 5, Subsection (1): Inventory of All State Public Infrastructure Programs and Funds

JLARC anticipates that data about state public infrastructure program types and funds is available at the various entities that administer these program types and funds, such as the Public Works Board. The study will entail assembling this data in a standardized format, and providing the requested analysis regarding gaps and overlaps, return on investment, etc. JLARC estimates that the study will require 12 audit months during fiscal year 2006. At a rate of \$12,500 per audit month, total JLARC staff costs for this effort would be \$150,000.

Estimated total JLARC costs for the work outlined above as the Section 2, Subsection (5) Development of Performance and Evaluation Criteria (\$37,500) and Section 5, Subsection (1) Inventory of State Public Infrastructure Programs and Funds (\$150,000) is: \$187,500

NOTE: WE HAVE NOT ESTIMATED THE FISCAL IMPACT OF THE SECTION 5, SUBSECTION (2) AUDIT TO BE COMPLETED IN 2010. JLARC IS REQUIRED TO PERFORM A PROJECT-BY-PROJECT REVIEW, AND IT IS DIFFICULT TO ESTIMATE THE NUMBER OF PROJECTS THAT WILL BE FUNDED: PWB WILL USE FUNDS COLLECTED FROM THE SOLID WASTE COLLECTION TAX, WHICH COLLECTED \$50.4 MILLION IN THE 2001-03 BIENNIUM, TO FUND PROJECTS. BASED ON PROVISIONS IN THE BILL, NO PROJECT CAN RECEIVE MORE THAN \$10 MILLION, AND THERE IS NO ESTABLISHED PROJECT MINIMUM. THEREFORE, THERE IS A LARGE RANGE IN THE NUMBER OF PROJECTS WHICH COULD BE POTENTIALLY FUNDED THROUGH THE JOB DEVELOPMENT FUND GRANT PROGRAM.

JLARC Audit Months: JLARC calculates its staff resources in "Audit Months" to estimate the time and effort to undertake and complete its studies. An "Audit Month" reflects a JLARC analyst's time for a month, together with related administrative, support, goods/services and supervisory costs. JLARC anticipated 2003-05 costs are calculated at \$12,500 per audit month.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	1.8		0.9		
A-Salaries and Wages	123,810		123,810		
B-Employee Benefits	24,240		24,240		
C-Personal Service Contracts					
E-Goods and Services	30,360		30,360		
G-Travel	4,770		4,770		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Equipment	4,320		4,320		
Total:	\$187,500	\$0	\$187,500	\$0	\$0

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Analyst (Includes Senior Level)	70,600	1.3		0.6		
Supervisory	99,100	0.1		0.1		
Support	47,250	0.4		0.2		
Total FTE's		1.8		0.9		0.0

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1903 E S HB AMS WM S3134.1	Title: Job development fund	Agency: 090-Office of State Treasurer
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
Total \$					

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/12/2005
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 04/14/2005
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 04/14/2005
OFM Review: Deborah Feinstein	Phone: 360-902-0614	Date: 04/15/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

1903 E S HB AMS WM S3134.1 creates the job development fund. Earnings from investments will be credited to the general fund.

Earnings from investments:

The amount of earnings by an account is a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average balances, and hence differing earnings.

There will be an impact to the earnings; however, the actual earnings will be determined more by the impact to the average daily balance than the amount of increases or decreases in receipts, disbursements, and transfers. Currently, estimated earnings are indeterminable. Without projected monthly estimates of receipts, disbursements, and transfers, OST is unable to estimate the changes to the average balance of the account and the impact to earnings.

Based on the March 2005 Revenue Forecast, the net rate for estimating earnings for FY 05 is 2.19%, FY 06 is 3.04%, and FY 07 is 3.30%. Approximately \$21,900 in FY 05, \$30,400 in FY 06, and \$33,000 in FY 07 in net earnings and \$5,000 in OST management fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

Debt Limit:

There may be an impact on the Debt Service Limitation calculation. Any change to the earnings credited to the general fund will change, by an equal amount, General State Revenues.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

1903 E S HB AMS WM S3134.1 creates the job development fund. Earnings from investments will be credited to the general fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
Total:					

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1903 E S HB AMS WM S3134.1	Title: Job development fund	Agency: 103-Community, Trade & Economic Develop
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2006	FY 2007	2005-07	2007-09	2009-11
Job Development Fund-State NEW-1	38,511,643		38,511,643	50,203,743	50,203,743
Total \$	38,511,643		38,511,643	50,203,743	50,203,743

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	2.2	2.2	2.2	2.2	2.2
Fund					
Public Works Assistance Account-State 058-1	38,511,643	0	38,511,643	50,203,743	50,203,743
Job Development Fund-State NEW-1	211,643	209,243	420,886	405,486	405,486
Total \$	38,723,286	209,243	38,932,529	50,609,229	50,609,229

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☒ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/12/2005
Agency Preparation: Dara Fredericksen	Phone: 360-725-4053	Date: 04/12/2005
Agency Approval: Victor Vasquez	Phone: 360 725-4144	Date: 04/13/2005
OFM Review: Robin Campbell	Phone: 360-902-0575	Date: 04/13/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1—Expresses legislative intent to enhance current economic development programs and funding by creating a loan and grant program to assist political subdivisions with public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs. This section is different from the earlier version of the bill in that it emphasizes providing loans and grants rather than grants exclusively and makes political subdivisions eligible to apply, rather than local governments.

Section 2—Amends the Community Economic Revitalization Board (CERB) statute and creates the job development fund program within the CERB statute rather than the Public Works Board (PWB) statute. This version of the bill changes the financing method from grants to loans and grants. In shifting the focus to loans, stipulates that grants may be awarded only when, and to the extent that, a loan is not reasonably possible, given the limited resources of the political subdivision and the board's finding that financial circumstances require grant assistance to enable the project to move forward. Directs CERB rather than the PWB to administer the program and to establish a competitive process to request and prioritize proposals and make loan and grant awards. Defines public infrastructure projects by referring to the CERB definition. Defines "political subdivision" to mean a county, city, port district, or other special purpose district, excluding a school district and, unlike the previous bill, this definition precludes federally recognized tribes working in partnership with a political subdivision from applying for assistance.

CERB rather than the PWB is directed to conduct a statewide request for project applications from political subdivisions and to apply specific criteria when evaluating and ranking applications received. The criteria are reordered in this bill, but not significantly changed from the previous version of the bill. This section stipulates funding may only be awarded to those applicants that have or will enter into a contract with a private developer relating to private investment that will result in the creation or retention of jobs upon completion of the project. Circumstances where CERB cannot provide assistance are defined.

This section also now directs CERB to work with the Joint Legislative Audit and Review Committee (JLARC) to develop performance criteria for each loan and grant and evaluation criteria to be used to evaluate how well successful applicants met the community and economic development objectives stated in their applications, and how well the job development fund program performed in creating and retaining jobs.

Section 3— As before, this section establishes a loan or grant maximum of \$10 million and requires assistance not to exceed thirty-three percent of the total cost of the project. The requirement that the remaining project costs come from nonstate funds is retained, however, the bill removes references made in the previous version to a 2005-2007 application process and list. It also shifts details about the development of a project list for the 2007-2009 biennium to Section 4. This version eliminates past references to the creation of an alternate list or an opportunity fund that can be obligated by the Governor with approval of the PWB for certain projects under certain circumstances.

Section 4— Amends Public Works Board statute and establishes a separate job development fund in the state treasury rather than in the public works assistance account (PWAA). Allows money from the public works assistance account to be placed in the job development fund after appropriation and to be spent from the Job Development Fund only after appropriation. It also allows money in the fund to be used for program loans or grants and expenses related to the administration of the job development fund program. In addition, this new version directs the Public Works Board to prepare a list of proposed projects that totals fifty million dollars as part of the department's 2007-09 biennial budget request. Note: This reference to the Public Works Board is inconsistent with Section 2 of the bill which directs CERB to develop and implement the program and is presumed to be a drafting error.

Section 5—Similar to the earlier version, this section calls for JLARC to conduct an inventory of all state public infrastructure programs and funds. The inventory is required to identify: the state's public infrastructure programs and

funds and the purposes each serve; how the program or fund is implemented; the types of public infrastructure projects supported by the program or fund; the dollar amount of the projects funded by each program or fund; the balance of a fund, if applicable; and the geographic distribution of projects supported by a program or fund. Where applicable, the inventory must also identify overlaps or gaps in types of public infrastructure projects supported through state programs or funds. JLARC is to evaluate the return on investment for economic development infrastructure programs included in the inventory. December 1, 2005 is the deadline for delivering the inventory to appropriate committees of the legislature.

This section also calls for JLARC to submit a report on the outcomes of the job development fund program to the appropriate committees of the legislature. The report will detail how the funds were used and whether performance measures were met. JLARC will do a project-by-project review using the performance and evaluation criteria developed by the community economic revitalization board and the committee.

Section 6—This section says the act expires June 30, 2011 and is the same as the previous version.

Section 7— This section contains standard invalidity language identical to the previous version.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

This bill is silent on cash receipts for the 2005-2007 biennium so it is assumed that a total of \$38,511,643 will be deposited in the Job Development Fund from the Public Works Assistance Account.

For the purposes of the 2007-2009 biennium, it is assumed that \$50,203,743 will be deposited in the Job Development Fund from the Public Works Assistance Account.

This bill is silent on cash receipts for the 2009-2011 biennium, so it is assumed that a total of \$50,203,743 will be deposited in the Job Development Fund from the Public Works Assistance Account.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Assumptions for Operating Budget Costs:

- This bill requires CERB to develop a new loan and grant program with staff support from CTED.
- The workload represented in this bill overlays and is additive to CERB's existing workload and cannot be absorbed by CTED staff whose time and effort is dedicated to current CERB programs and services.
- It is assumed that the Board will perform these new responsibilities within its customary meeting schedule of six meetings per year, however, a minimum of three meetings/biennium will be extended and may require overnight lodging for some members at an additional Object G cost of \$2,000 in those years when the development of new project lists will occur.
- It is assumed that CTED will require two new staff to develop and manage the new CERB Job Development Fund Program: 1.0 FTE of a Program Manager/Technical Specialist 3 and 1.0 FTE of a Program Assistant 1. These staff will begin work in July of 2005. One-time office furniture and equipment costs (Object J) total \$10,400 in FY 2006. \$1,250/FTE is budgeted for software/equipment in subsequent fiscal years. Space costs are calculated at \$2,500/FTE/year in Object E. Copying and other goods and services are factored into Object E at \$2,250/FTE/year. Staff travel is calculated at \$350/month/FTE.

- Early in FY 2006 (July 2005), CERB Job Development Fund staff will work with the Joint Legislative Audit and Review Committee (JLARC) and CERB to develop project selection criteria as well as project and program performance measures that will be used to initiate, implement and evaluate the program.
- Also in FY 2006 (August-September, or as requested), CERB and Job Development Fund staff will make information available to the JLARC infrastructure inventory process scheduled to deliver a report to the Legislature by December 1, 2005.
- Staff and the Board will consult with the Assistant Attorney General (AAG) to develop contract boilerplates that incorporate the agreed upon performance measures so that contract documents are available for use during FY 2006 for any project the Legislature may fund through the capital budget process. The AAG will also assist staff and the Board with any legal issues related to implementation of the program and providing assistance to applicants. Ongoing AAG costs are included in Object E at \$3,000/year.
- The criteria and performance measures agreed to by CERB and JLARC will also be incorporated into program guidelines, solicitations, rating criteria, program applications, and project selection processes the Board and staff launch during FY 2006 toward creation of a \$50 million project list for inclusion in CTED's 2007-2009 agency budget request.
- CERB and Job Development Fund staff will develop the solicitation for projects during the summer and fall of 2005.
- The CERB Chair will issue the solicitation for project applications no later than December 1, 2005.
- Applications will be due no later than mid-March 2006.
- Applications will be scoped, evaluated and prioritized to present to the CERB no later than July 2006 (preferably May 2006).
- August 1, 2006 is the target date for completing incorporation of the list into CTED's 2007-2009 biennial budget request.
- Following project selection, CERB and the new Job Development Fund staff will work with a consultant to develop a performance database for the program modeled, to the extent possible, after the CERB database but including criteria unique to the new program. \$2,500 is budgeted in FY 2006 to initiate the contract and \$10,000 in FY 2007 to complete it. \$2,500/year in subsequent years is budgeted for updates or upgrades.
- CERB Job Development Fund staff will make contact with funded applicants whose projects are under contract on a regular basis to post updates to the tracking system.
- Legislative approval for the list is expected to occur during March or April 2007.
- Staff would negotiate and CERB would execute contracts with funded projects and set up tracking for those projects.
- Staff would be responsible for marketing the program to potential applicants for a potential 2007-2009 funding round. Of particular importance would be working with applicants that were unable to get projects ready for the initial funding list.
- It is assumed that CERB will be directed to prepare a project list for inclusion in CTED's 2009-2011 budget request.
- Revisions to the solicitation would be initiated following production of the first list and a judgment would be made (based in part on the number of applications received during the first solicitation) whether to develop the 2007-2009 list based on one or two solicitations. At a minimum, one would be required with an expected announcement date of September 2007 and an application deadline of March 2008. Rating would follow with Board review of the recommended list no later than July 2008 for inclusion in CTED's 2009-2011 budget request.

-- Job Development Fund staff will be engaged in providing ongoing loan and grant contract management technical assistance and monitoring throughout all fiscal years.

-- Agency Administration (Program 100) costs are shown in object T and represents costs associated with agency administration, including the areas of budget, accounting services, auditing and information technology.

Assumption for Operating Budget Deposit:

Because funding from the Public Works Assistance Account can only be deposited in the Job Development Fund after appropriation, the deposit of funds from the PWAA into the Job Development Fund is shown as an expenditure. The expenditure of funds from the Job Development Fund is also shown as an expenditure in this fiscal note.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	2.2	2.2	2.2	2.2	2.2
A-Salaries and Wages	99,840	99,840	199,680	199,680	199,680
B-Employee Benefits	24,960	24,960	49,920	49,920	49,920
C-Personal Service Contracts	2,500	10,000	12,500	5,000	5,000
E-Goods and Services	12,500	12,500	25,000	25,000	25,000
G-Travel	10,400	8,400	18,800	18,800	18,800
J-Capital Outlays	10,400	2,500	12,900	5,000	5,000
M-Inter Agency/Fund Transfers	38,511,643		38,511,643	50,203,743	50,203,743
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	51,043	51,043	102,086	102,086	102,086
Total:	\$38,723,286	\$209,243	\$38,932,529	\$50,609,229	\$50,609,229

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Prog. Mgr. Tech. Spec. 3	57,252	1.0	1.0	1.0	1.0	1.0
Program Assist. 1	42,588	1.0	1.0	1.0	1.0	1.0
Various--100 Agency Admin	41,600	0.2	0.2	0.2	0.2	0.2
Total FTE's		2.2	2.2	2.2	2.2	2.2

III. C - Expenditures By Program (optional)

Program	FY 2006	FY 2007	2005-07	2007-09	2009-11
Agency Admin (100)	51,043	51,043	102,086	102,086	102,086
Economic Development (700)	38,672,243	158,200	38,830,443	50,507,143	50,507,143
Total \$	38,723,286	209,243	38,932,529	50,609,229	50,609,229

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2006	FY 2007	2005-07	2007-09	2009-11
Acquisition					
Construction					
Other	38,300,000		38,300,000	50,000,000	50,000,000
Total \$	38,300,000		38,300,000	50,000,000	50,000,000

The bill is silent on capital budget impact, but for the purposes of this fiscal note it is assumed that loans and grants totaling \$38,300,000 will be awarded in FY 2006, based on information in the House and Senate proposed budgets for 05-07, and loans and grants totaling \$50,000,000 will be awarded in FY 2008 and loans and grants totaling \$50,000,000 will be awarded in FY 2010 based on language in Section 4 of the bill.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

The creation of a loan and grant application process for the new Job Development Program funding competition may require the development of rules.