



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **HB0313.03 (002): Establish a grant program for aquatic recreational facilities**

Primary Sponsor: **Paul Tuss** Status: **As Amended in House Committee**

☐ 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>
<b>Expenditures</b>				
State Special Revenue (02)	\$786,512	\$1,480,364	\$1,481,718	\$1,251,406
Other	\$0	\$0	\$0	\$0
Capital Development	\$5,000,000	\$0	\$0	\$0
<b>Revenues</b>				
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

HB 313, as amended, transfers \$5 million from the capital developments long-range building program account to establish a public swimming pool infrastructure grant program at the Department of Commerce.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Commerce

1. HB 313, as amended, transfers \$5 million from the capital development long-range building program account to a state special revenue account administered by the Department of Commerce.
2. Section 2 of the bill establishes a public swimming pool infrastructure account to provide grant funding and to pay for administrative costs related to administering the grants.
3. It is assumed the full \$5 million, less any administrative costs, will be awarded as grants to nonprofit organizations and local governments.
4. Section 5 establishes match requirements of at least \$1 in value for each \$5 of the grant for grants of \$25,000 or more.
5. 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. Taking into account the estimated administrative costs, the amount available for grants will be \$4,633,692 and estimated the number of grants awarded will be 46.

6. 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.
7. 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 will award 15% of the grants in FY 2026, 30% in FY 2027, 30% in FY 2028, and 25% in FY 2029.
8. The department will track the outcomes of the projects to ensure all requirements of the grant agreement are satisfied.
9. Based on existing grant programs, the workload required to perform these duties for 46 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.

## Fiscal Analysis Table

	<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>
<b><u>Fiscal Impact</u></b>				
FTE	0.75	0.75	0.75	0.75
<b>TOTAL Fiscal Impact</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>
<b><u>Expenditures</u></b>				
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	\$695,054	\$1,390,108	\$1,390,108	\$1,158,422
<b>TOTAL Expenditures</b>	<b>\$5,786,512</b>	<b>\$1,480,364</b>	<b>\$1,481,718</b>	<b>\$1,251,406</b>
<b><u>Funding of Expenditures</u></b>				
State Special Revenue (02)	\$786,512	\$1,480,364	\$1,481,718	\$1,251,406
Other	\$0	\$0	\$0	\$0
Capital Development	\$5,000,000	\$0	\$0	\$0
<b>TOTAL Funding of Expenditures</b>	<b>\$5,786,512</b>	<b>\$1,480,364</b>	<b>\$1,481,718</b>	<b>\$1,251,406</b>
<b><u>Revenues</u></b>				
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
State Special Revenue (02)	\$4,213,488	(\$1,480,364)	(\$1,481,718)	(\$1,251,406)
Other	\$0	\$0	\$0	\$0
Capital Development	(\$5,000,000)	\$0	\$0	\$0

## Technical Concerns

1. Section 2 of the bill, as amended, establishes an account to provide grant funding and to pay for administrative costs. However, section 8 states there is appropriated \$5 million from the account for grants and does not mention administrative costs.

Paul J  
Sponsor's Initials

4/2/25  
Date

RD  
Budget Director's Initials

4/2/2025  
Date