



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 824

PRINTERS NO. 902

PRIME SPONSOR: Saylor

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
General Fund	\$0	See Fiscal Impact

SUMMARY: House Bill 824, Printer's Number 902, establishes a National Guard Youth Challenge Program.

ANALYSIS: This legislation creates a new Chapter 98 in Title 51 (Military Affairs) to establish the National Guard Youth Challenge Program as provided for under 32 U.S.C. Section 509 to provide opportunities for civilian youth.

The program shall be known as the Keystone State Challenge Academy with the intention to improve life skills and employment potential by providing: military-based training; supervised work experience; assistance in obtaining a high school diploma or an equivalent; leadership development and promotion of community service; life coping and job skills; and improving physical fitness and health and hygiene. The length of the program and requirements for participation shall be set by federal law (32 U.S.C. Section 509).

Section 9806 of the bill states that, in accordance the federal guidelines, the program shall be staffed by employees necessary for the operation of the program. The department of Military and Veterans Affairs is required to apply for funding as provided for in 32 U.S.C. and may supplement such funding through other resources, such as gifts, monetary donations, and other property or services for the program.

All course credits earned under the program shall be recognized by any school entity in which the participant enrolls after completion of the program. The department must work with the Pennsylvania Department of Education to ensure the program complies with all statutory and regulatory requirements necessary to facilitate the transfer of course credit earned under the program to a school entity.

The bill also establishes a ten-member advisory council to advise the Adjutant General and the department on the operation of the program. The Adjutant General shall serve as a nonvoting, ex officio member and include the following other members: three members appointed by the Governor: Deputy Adjutant General for Army or designee; Deputy Adjutant General for Air or designee; and the Secretary of Education or designee; three Senate appointees; and three House

appointees. Members shall receive no compensation for their services, but only reimbursement for the necessary and proper expenses to attend meetings.

An annual report is required to be prepared and submitted concerning the program to include such information as the number of applicants and participants to the program in the previous fiscal year and details related to demographics, education levels achieved and entry into military service. An audit is also to be conducted by qualified independent certified public accountants using generally accepted audit standards of the Governmental Accounting Standards Board.

This legislation would take effect immediately upon enactment.

FISCAL IMPACT: Enactment of this legislation will have no adverse fiscal impact on the department. It is expected that the operation of the advisory committee and preparation of the annual report as required will be covered under existing operations.

The bill also specifically states, "to the extent funds are appropriated for the purposes provided under this chapter, the department shall establish a youth challenge program...." Therefore, operation of the program is contingent upon the availability of state funds. When such funding is available it would be considered matching funds to the National Guard Youth Challenge Program as provided for under 32 U.S.C. Section 509.

The department is required to apply for federal funding and may supplement such funding through other resources, such as gifts, monetary donations, and other property or services for the program. However, there currently is not a General Fund appropriation or restricted account related to this program which would be necessary to apply for federal funding, as well as to cover administrative and operational costs. Funding levels would also be dependent upon the size of the program and the number of program staff and participants.

PREPARED BY: Jeffrey Clukey
House Appropriations Committee (R)

DATE: May 24, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.