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FISCAL IMPACT REPORT

SPONSOR <u>Senate Indian, Rural and Cultural Affairs Committee</u>	LAST UPDATED <u>3/6/2025</u>	ORIGINAL DATE <u>2/21/2025</u>
SHORT TITLE <u>Tribal Liaison Programs</u>	BILL NUMBER <u>CS/Senate Bill 468/SIRCS</u>	
	ANALYST <u>Ortega</u>	

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$33,000.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DFA	No fiscal impact	Up to \$387.8	Up to \$387.8	Up to \$775.6	Recurring	General Fund

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Department of Finance and Administration (DFA)

SUMMARY

Synopsis of SIRC Substitute for Senate Bill 468

The Senate Indian, Rural and Cultural Affairs Committee substitute for Senate Bill 468 (SB468) appropriates \$33 million from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) in FY26 to ensure Native American populations have equal access to the electoral process on a nonpartisan basis by funding tribal liaison programs that offer voter education, awareness, translation services, and registration drives in county clerk offices that choose to participate.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The appropriation of \$33 million contained in this bill is a recurring expense to the general fund.

Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund. Although SB468 does not specify future appropriations, establishing a new program could create an expectation the program will continue in future fiscal years; therefore, this cost is assumed to be recurring. This analysis assumes DFA will be required to fund a tribal liaison program in each county, however costs may vary depending on how many counties choose to participate.

According to DFA, the implementation of a tribal liaison program in each county will result in administrative costs related to fund management, program evaluation and monitoring, community engagement, and reporting. These costs include staff salaries, office expenses, financial management systems, site visits, data analysis, training, translation services, and community outreach. DFA estimates that administering these programs will require a total cost of \$387.8 thousand for 3 FTE at a level 75 pay band. Each FTE is projected to cost \$129.3 thousand, including salary, benefits, onboarding, and operational expenses.

SIGNIFICANT ISSUES

SB468 does not specify how the \$33 million would be distributed among participating counties, which could result in funding disparities depending on how many counties opt in. Additionally, the bill does not outline specific qualifications, duties, or reporting requirements for the tribal liaison programs, which could lead to inconsistencies in implementation across counties.

DFA states that it is not the appropriate agency to administer this program, as the Local Government Division has limited expertise with Native American populations and no experience with the electoral process or providing translation services. Additionally, DFA notes that a program of this scale would require more than a single fiscal year to hire staff, conduct necessary research, survey impacted communities, develop program criteria, implement translation services, and conduct outreach.

ADMINISTRATIVE IMPLICATIONS

DFA notes that SB468 would place significant administrative responsibilities on the Local Government Division, including program oversight, financial management, outreach, and reporting, which would require sufficient staffing and resources to ensure effective implementation.

ALTERNATIVES

DFA states that the funds could be allocated to the Indian Affairs Department (IAD) instead of the Local Government Division of DFA, as IAD already oversees a Tribal Liaison Program, or the Secretary of State (SOS), which has expertise in the electoral process.

AO/hj/SL2/SL2/sgs