

Multiple Agency Fiscal Note Summary

Bill Number: 5347 SB	Title: WorkFirst, "work activity"
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Joint Legislative Audit and Review Committee	.1	19,300	19,300	.0	6,400	6,400	.0	6,400	6,400
Department of Social and Health Services	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total	0.1	\$19,300	\$19,300	0.0	\$6,400	\$6,400	0.0	\$6,400	\$6,400

Estimated Capital Budget Impact

NONE

Prepared by: Rayanna Williams, OFM	Phone: (360) 902-0553	Date Published: Final 2/13/2017
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 47308

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5347 SB	Title: WorkFirst, "work activity"	Agency: 014-Joint Legislative Audit and Review Committee
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.1	0.0	0.1	0.0	0.0
Account					
General Fund-State 001-1	16,100	3,200	19,300	6,400	6,400
Total \$	16,100	3,200	19,300	6,400	6,400

Estimated Capital Budget Impact:

NONE

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:

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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.

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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: Alison Mendiola	Phone: 360-786-7483	Date: 01/24/2017
Agency Preparation: John Woolley	Phone: 360 786-5184	Date: 01/26/2017
Agency Approval: Keenan Konopaski	Phone: 360-786-5187	Date: 01/26/2017
OFM Review: Derek Rutter	Phone: (360) 902-0409	Date: 01/30/2017

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.

The bill extends the period during which vocational education training is considered a work activity for WorkFirst participants from 12 months to 24 months.

The JLARC analysis is to include the increase in the number of participants that qualify for temporary assistance to needy families (TANF) due to extended training time. The analysis is also to include a comparison of employment and earnings outcomes for individuals that qualified due to extended training time compared to other TANF participants.

The bill does not include a due date for the analysis.

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.

JLARC staff assume we will undertake the analysis in 2025. This will facilitate comparison of changes in employment and earnings over a 5-year period for different groups of TANF participants: those who exited TANF after 24 months of training versus those that remained on TANF or exited for other reasons.

Because the actual analysis will take place outside of the time period covered by this fiscal note, the fiscal note includes only costs associated with work necessary to begin working with agencies to ensure that data is collected to complete the analysis in 2025.

Establishing data collection plans for the 2025 audit will require an estimated 2 audit months.

JLARC ASSUMES THAT THE ASSIGNMENT IN THIS PROPOSED BILL MAY REQUIRE ADDITIONAL RESOURCES. JLARC WILL ASSESS ALL OF THE ASSIGNMENTS MANDATED IN THE 2017 LEGISLATIVE SESSION. BASED ON ALL LEGISLATION THAT IS PASSED, JLARC MAY SUBSEQUENTLY DETERMINE THAT IT CAN ABSORB THE COSTS FOR THIS PROPOSED BILL IN ITS BASE BUDGET, IF THE WORKLOAD OF OTHER ENACTED LEGISLATION DOES NOT EXCEED CURRENT STAFFING LEVELS.

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, and goods/services costs. JLARC's anticipated 2017-19 costs are calculated at approximately \$16,000 per audit month.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.1		0.1		
A-Salaries and Wages	10,700	2,100	12,800	4,200	4,200
B-Employee Benefits	3,400	700	4,100	1,400	1,400
C-Professional Service Contracts					
E-Goods and Other Services	1,800	400	2,200	800	800
G-Travel	200		200		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$16,100	\$3,200	\$19,300	\$6,400	\$6,400

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 2018	FY 2019	2017-19	2019-21	2021-23
Research Analyst	95,283	0.1		0.1		
Support staff	65,053					
Total FTE's	160,336	0.1		0.1		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: 5347 SB	Title: WorkFirst, "work activity"	Agency: 300-Department of Social and Health Services
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

Estimated Capital Budget Impact:

NONE

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:

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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.

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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: Alison Mendiola	Phone: 360-786-7483	Date: 01/24/2017
Agency Preparation: Wendy Polzin	Phone: 360-902-8067	Date: 02/13/2017
Agency Approval: Mickie Coates	Phone: 360-902-8077	Date: 02/13/2017
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/13/2017

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.

The bill amends RCW 74.08A.250 to allow vocational education training to be considered a WorkFirst “work activity” for up to 24 months rather than the current limit of 12 months

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.

Federal funding for WorkFirst services for TANF clients comes from a lidded block grant. Any increase in costs due to passage of this bill will be funded with GF-State funds.

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.

The department has no way of knowing how many WorkFirst clients will choose to participate in vocational education training for the additional 12 months allowed by this bill. This fiscal note provides the following calculation for illustrative purposes:

- Based on current participation rates, 43 percent of the student caseload (572 students) will participate in the additional 12 months allowed for vocational education training.
- The cost differential between job skills training and vocational education is \$765.
- Students who were enrolled in job skills training for one year and vocational education for one year will choose to participate in vocational education for both years.
- If these assumptions were to be realized, the additional cost to the department would be \$437,000 GF-State.

Implementation of this bill could negatively impact the State’s ability to meet federal TANF work participation requirements. Failure to meet these federal requirements results in significant penalties to the state. However, the exact impact on work participation rates from passage of this bill cannot be determined. It therefore cannot be determined if passage of this bill will contribute to the receipt of a penalty. The potential fiscal impact of a failure to meet federal requirements is therefore indeterminate.

Part III: Expenditure Detail

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.

New or amended rules may be needed.