

Multiple Agency Fiscal Note Summary

Bill Number: 2670 S HB 2670 SHB H-4378.2	Title: Pregnant minors/ed. attain.
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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
Department of Social and Health Services	.6	871,000	871,000	2.8	11,576,000	11,576,000	2.9	14,316,000	14,316,000
Department of Children, Youth, and Families	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Superintendent of Public Instruction	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total	0.6	\$871,000	\$871,000	2.8	\$11,576,000	\$11,576,000	2.9	\$14,316,000	\$14,316,000

Estimated Capital Budget Impact

NONE

Prepared by: Rayanna Williams, OFM	Phone: (360) 902-0553	Date Published: Final 2/ 2/2018
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 50796

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 2670 S HB 2670 SHB_H-4378.2	Title: Pregnant minors/ed. attain.	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:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.0	1.1	0.6	2.8	2.9
Account					
General Fund-State 001-1	0	871,000	871,000	11,576,000	14,316,000
Total \$	0	871,000	871,000	11,576,000	14,316,000

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).

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Capital budget impact, complete Part IV.

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Requires new rule making, complete Part V.

Legislative Contact: Dawn Eychaner	Phone: 360-786-7135	Date: 02/01/2018
Agency Preparation: Wendy Polzin	Phone: 360-902-8067	Date: 02/02/2018
Agency Approval: Douglas Hoffer	Phone: 360-902-8187	Date: 02/02/2018
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/02/2018

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 identifies applicants under the age of 18 years of age, who are pregnant or a parent, who are actively progressing towards meeting the requirements of high school graduation or general educational development (GED) certificate as eligible for Temporary Assistance for Needy Families (TANF), regardless of income or assets. If the minor parent lives at home, the Department of Social and Health Services (DSHS) Economic Services Administration (ESA) will not consider the income and resources of the minor's parent or guardian who is not receiving services in determining the minor's eligibility. The bill includes an effective date of May 1, 2019.

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.

None.

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 total estimated fiscal impact of this bill is 1.1 FTE and \$871,000 in Fiscal Year (FY) 2019 and 2.7 FTE and \$4,778,000 in FY 2020.

Section 2 is specific to eligibility for TANF benefits. This section has a fiscal impact of \$385,000 in FY 2019 and \$4,524,000 in FY 2020. The expenditures in this section are not expected to meet TANF Maintenance of Effort (MOE) requirements, because the policy may be found to not support the four TANF criteria, which are to:

- 1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- 2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- 3) prevent and reduce the incidence of out of wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- 4) encourage the formation and maintenance of two parent families.

ESA used data available from the Department of Health to identify the number of live births and non-live births categorized by the mother's age to determine the caseload impact of this bill. The data can be found at: <https://www.doh.wa.gov/DataandStatisticalReports/HealthStatistics/AbortionPregnancy/AbortionPregnancyTablesbyYear>

This policy is assumed to be in place year round, and not tied to the school year.

ESA identified an average of 82 monthly live births to minor parents in 2015. ESA assumed that 75 percent of the parents of monthly live births would participate in TANF. This assumption adds an average of 62 cases per month of minor parents to the caseload in full year. The November 2017 TANF forecast per cap of \$450.99 for FY 2019 is used to determine the FY 2019 cost to serve 93 live births per month could be \$84,000 (the policy is

effective for 2 months in SFY 19). In FY 2020, in a full year of implementation, ESA expects 515 live births per month at a cost of \$2,784,000. In alignment with DCYF assumptions, ESA assumed that live births to minor parents would remain flat in future years because there is no current data to suggest otherwise.

The bill also allows pregnant minors to receive TANF services. To separate pregnancies from live births, ESA identified an average of 53 pregnancies that result in a non-live birth in 2015 affecting minor parents. The same assumption of 75 percent utilization rate is used for this population, as was used for live births. ESA assumed an average length of stay of six months for minor pregnancies ending in non-live birth. The November 2017 TANF forecast per cap of \$450.99 for two months of services in FY 2019 is used to determine the FY 2019 cost to serve 61 cases per month at \$54,000 to serve pregnant minors and \$437,000 in FY 2020 to serve 191 cases. In alignment with DCYF assumptions, ESA assumed that the number of pregnant minors would remain flat in future years because there is no current data to suggest otherwise.

In addition to a cash benefit, TANF recipients may also receive up to \$3,000 in support services (WAC 388-310-0800). Support services may include purchases such as clothing, diapers, personal hygiene items, and public transportation assistance, among others. The majority of clients do not use the entirety of this allowance. Generally, clients do not use all support services dollars available to them. For purposes of this fiscal note, ESA anticipates that each client would use \$1,500. The total increase in support services costs are estimated at \$247,000 in FY 2019 (\$186,000 for live births and \$61,000 for pregnancies ending in non-live birth) and \$1,303,000 in FY 2020 (\$1,152,000 for live births and \$151,000 for non-live births).

Due to this policy, ESA will experience an administrative impact from increased eligibility. In FY 2019, this impact is estimated at 0.6 FTE (0.1 WorkFirst Program Specialist, 0.1 Financial Services Specialist 3, 0.4 Social Service Specialist 2) and \$64,000 to determine eligibility and case management for TANF. In FY 2020 2.7 FTE (0.5 WorkFirst Program Specialist, 0.3 Financial Services Specialist 3, 1.9 Social Service Specialist 2) and \$2,254,000 are anticipated. This bill establishes a new program, with separate income and resource eligibility, ESA anticipates these new cases will need monthly interaction, either by phone or in person, to ensure compliance with regulations (still in school, still pregnant, within age requirement, etc).

ESA systems will need to be modified as a result of this bill. The estimated IT impact is a one-time cost of \$422,000 for 0.5 FTE (0.3 IT Specialist 4, 0.1 IT Specialist 5 and 0.1 IT Specialist 6) and contractor costs to implement this bill. Coding must be established to track the new program, due to not considering income as a requirement to receive TANF and WCCC benefits. Additionally, tracking will be required to ensure non-MOE funds are used. ESA must still consider income and resources for determining eligibility for Basic Food, per Federal Regulations. IT staff have estimated that development and implementation will take approximately 12 months and will go live no earlier than April 2019.

The bill will also authorize benefits for Working Connections Child Care (WCCC). Based on information from DCYF, the number of new cases as a result of this bill is expected to be very small, and have a negligible impact on workload.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years		1.1	0.6	2.8	2.9
A-Salaries and Wages		78,000	78,000	342,000	354,000
B-Employee Benefits		40,000	40,000	152,000	166,000
C-Professional Service Contracts					
E-Goods and Other Services		367,000	367,000	34,000	36,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		385,000	385,000	11,040,000	13,752,000
P-Debt Service				2,000	2,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		1,000	1,000	6,000	6,000
9-					
Total:	\$0	\$871,000	\$871,000	\$11,576,000	\$14,316,000

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
Financial Services Specialist 3			0.1	0.1	0.3	0.3
IT Specialist 4			0.3	0.2		
IT Specialist 5			0.1	0.1		
IT Systems/APP SPEC 6			0.1	0.1		
Social Services Specialist 2			0.4	0.2	2.0	2.1
WorkFirst Program Specialist			0.1	0.1	0.5	0.5
Total FTE's			1.1	0.6	2.8	2.9

Part IV: Capital Budget Impact

None.

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.

Admin Impact for Caseload Increase due to HB 2670

Estimated annual TANF caseload increase due Live Births
 Estimated annual TANF caseload increase due Pregnancies ending in Abortion
 Estimated annual TANF caseload increase due Pregnancies ending in Fetal Death
 Total Caseload Impact

Estimated staff effort per month in hours

X 60 minutes to complete initial application once per year (WorkFirst Program Specialist)
 X 29 minutes to complete change in circumstance/ECR once per year (Financial Service Specialist 3)
 X 15 minutes 12 times year for Adult TANF case management (Social Service Specialist)

Estimated total staff effort in hours

Estimated Number of FTE - WorkFirst Program Specialist (WPS)

Estimated Annual Cost for WPS

Estimated Number of FTE - Financial Service Specialist 3 (FFS 3)

Estimated Annual Cost for FFS 3

Estimated Number of FTE - Social Service Specialist 2 (SSS2)

Estimated Annual Cost for SSS 2

Total Estimated Number of FTE

Total Estimated Annual Cost

Staff Impacts					
	SFY18	SFY19	SFY20	SFY21	SFY22
	-	124	768	892	912
	-	78	195	195	195
	-	2	7	7	7
	-	204	970	1,094	1,114
	-				
	-	204	744	744	744
	-	99	469	529	538
	-	612	2,910	3,282	3,342
	-	915	4,123	4,555	4,624
	-	0.1	0.5	0.5	0.5
\$	-	\$ 10,000	\$ 45,000	\$ 45,000	\$ 45,000
		0.1	0.3	0.3	0.3
\$		\$ 9,000	\$ 25,000	\$ 25,000	\$ 25,000
	-	0.4	1.9	2.1	2.1
\$	-	\$ 45,000	\$ 184,000	\$ 212,000	\$ 212,000
	-	0.6	2.7	2.9	2.9
\$	-	\$ 64,000	\$ 254,000	\$ 282,000	\$ 282,000

IT Systems Impacts	Staff /FTE	Hours	FTE	Cost
Test Team & Customer Support (ITS 4)		400.0	0.3	\$ 30,000
IT 5		213	0.1	\$ 17,000
IT 6		160	0.1	\$ 15,000
Total FTE		400	0.5	\$ 62,000

Contractors	Hours	Cost Per Hour	Cost
Architect - ACES	60	\$ 125.00	\$ 7,500
Developers	2,347	\$ 150.00	\$ 352,050
Total Contractor Costs	2,407		\$ 360,000

Individual State Agency Fiscal Note

Bill Number: 2670 S HB 2670 SHB_H-4378.2	Title: Pregnant minors/ed. attain.	Agency: 307-Department of Children, Youth, and Families
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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: Dawn Eychaner	Phone: 360-786-7135	Date: 02/01/2018
Agency Preparation: John Rich	Phone: (360) 725-4513	Date: 02/02/2018
Agency Approval: Christopher Stanley	Phone: (360) 725-4388	Date: 02/02/2018
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/02/2018

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 3 identifies parents under 18 years of age attending high school or completing a general educational development (GED) certificate as eligible for Working Connections Child Care (WCCC) as long as they also meet all other program eligibility requirements. When determining eligibility and copayment, the Department of Social and Health Services (DSHS) must authorize full-time child care for parents under 18 participating in 110 hours of approved activities per month. DSHS may not consider the availability of the consumer or the other biological parent. DSHS may not require a co-payment greater than the minimum copayment established by the Department of Children Youth and Families (DCYF) in rule.

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.

None

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 fiscal impact of 2670 is indeterminate. The current rule structure for the Child Care Subsidy Program allows for minor parents to attend high school or high school equivalent activities as their lone activity. The vast majority of these students would qualify for full-time care based on the number of hours attending school, allowable study time and transportation time associated with this activity. Most of these families will have a minimum copay as only the parent's income is counted in the minor parent's family. This will be unchanged for a single minor parent household under this bill.

This bill impacts two-parent households that include a minor parent. Current rules require a second parent to be in an approved activity during the time the minor parent student is attending school for the household to receive child care. We do not have sufficient information to determine the number of minor parent households that have two parents, with one of the parents not participating in an approved activity. This would be the primary cost associated with this bill.

The secondary cost of this bill is removing the income requirement for these families. DEL assumes very few minor parent families are over the 200% of the FPL standard. We do not have sufficient data to determine the number of families that would be over 200% of the FPL, or with enough income to create an overpayment greater than the minimum.

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.

Individual State Agency Fiscal Note

Bill Number: 2670 S HB 2670 SHB_H-4378.2	Title: Pregnant minors/ed. attain.	Agency: 350-Superintendent of Public Instruction
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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 less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

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Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Dawn Eychaner	Phone: 360-786-7135	Date: 02/01/2018
Agency Preparation: Julie McConnon	Phone: 360 725-6182	Date: 02/02/2018
Agency Approval: Mike Woods	Phone: 360 725-6283	Date: 02/02/2018
OFM Review: Cynthia Hollimon	Phone: (360) 902-0562	Date: 02/02/2018

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. The legislature intends to improve family unity, student outcomes, and the development of our future workforce by removing programmatic barriers and promoting coordination among programs that deliver services to pregnant and parenting minors.

Section 2. Makes an applicant who is under eighteen and is pregnant or has a dependent child eligible to receive temporary assistance for needy families regardless of income or available resources.

Section 3. DSHS must authorize full-day subsidized child care during the school year when then consumer is participating in one hundred ten hours of approved activities per month, may not consider employment of consumer or the other biological parent and, may not require copayment greater than the minimum established by the department for the program in rule.

Section 4. By July 1, 2020, at the request of an eligible student, a school district may allow that student to transport his or her infant on a school bus or other student transportation vehicle provided by the district.

Section 5. Sections 2 and 3 take effect May 1, 2019.

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.

No cash receipts are expected.

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.

Section 4 could have an indeterminate impact on districts.

Districts report to OSPI on their use of alternate transportation, and it factors into the calculation of transportation allocations to districts. OSPI expects this bill to have minimal impacts relative to the approximately \$500 million that is appropriated for student transportation annually.

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.