

Multiple Agency Fiscal Note Summary

Bill Number: 1447 HB	Title: Assistance programs
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	0	0	22,000	0	0	55,000	0	0	58,000
Department of Social and Health Services	0	0	968,000	0	0	2,818,000	0	0	2,860,000
Department of Children, Youth, and Families	0	0	8,000	0	0	14,000	0	0	14,000
Total \$	0	0	998,000	0	0	2,887,000	0	0	2,932,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	.0	108,000	108,000	130,000	.0	283,000	283,000	338,000	.0	298,000	298,000	356,000
Department of Social and Health Services	6.7	77,725,000	77,725,000	78,693,000	9.3	157,240,000	157,240,000	160,058,000	9.3	166,996,000	166,996,000	169,856,000
Department of Children, Youth, and Families	2.1	19,277,000	19,277,000	19,285,000	3.4	33,696,000	33,696,000	33,710,000	3.4	33,074,000	33,074,000	33,088,000
Total \$	8.8	97,110,000	97,110,000	98,108,000	12.7	191,219,000	191,219,000	194,106,000	12.7	200,368,000	200,368,000	203,300,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Preliminary 2/28/2023
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Individual State Agency Fiscal Note

Bill Number: 1447 HB	Title: Assistance programs	Agency: 107-Washington State Health Care Authority
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	3,000	19,000	22,000	55,000	58,000
Total \$	3,000	19,000	22,000	55,000	58,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	14,000	94,000	108,000	283,000	298,000
General Fund-Federal 001-2	3,000	19,000	22,000	55,000	58,000
Total \$	17,000	113,000	130,000	338,000	356,000

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:

- 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.
- 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: Omeara Harrington	Phone: 360-786-7136	Date: 01/27/2023
Agency Preparation: Joseph Cushman	Phone: 360-725-5714	Date: 02/22/2023
Agency Approval: SUMAN MAJUMDAR	Phone: 360-725-1319	Date: 02/22/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/22/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Please see attached.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Please see attached.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Please see attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	14,000	94,000	108,000	283,000	298,000
001-2	General Fund	Federal	3,000	19,000	22,000	55,000	58,000
Total \$			17,000	113,000	130,000	338,000	356,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	17,000	113,000	130,000	338,000	356,000
G-Travel					
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 \$	17,000	113,000	130,000	338,000	356,000

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

HCA Fiscal Note

Bill Number: 1447 HB Assistance Programs

HCA Request #: 23-122-3

Part II: Narrative Explanation

An act relating to strengthening the ability of assistance programs to meet foundational needs of children, adults, and families.

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Sec 1(13)(c) removes the value limit for a motor vehicle for people receiving assistance from the Department of Human Health and Services (DSHS).

Sec. 1(13)(e) exempts retirement funds, pension plans, and retirement accounts from being considered resources for those receiving assistance from DSHS.

Sec. 1(13)(f) increases the limit total of all other resources from \$6,000 to \$25,000.

This section becomes effective February 1, 2024.

II. B - Cash Receipts Impact

II. B - Estimated Cash Receipts to:

ACCOUNT	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029
General Fund-Medicaid 001-C	3,000	19,000	26,000	29,000	29,000	29,000
Totals	\$ 3,000	\$ 19,000	\$ 26,000	\$ 29,000	\$ 29,000	\$ 29,000

II. C – Expenditures

Effective February 1, 2024, this bill increases the asset limit of resources that can be applied towards meeting public assistance applicants' needs, which would potentially increase the number of individuals eligible for the Aged, Blind, or Disabled (ABD) cash assistance program administered by the Department of Social and Health Services (DSHS). This, in turn, is expected to increase the number of individuals qualifying for the Washington State Health Care Authority's Medical Care Services (MCS) program. Based on eligibility for the ABD cash program, if a person qualifies for ABD and does not meet the citizenship requirements to qualify for a federal medical program, they may be eligible for the State-funded MCS program.

The fiscal impact of the proposed policy is estimated as the product of the forecasted per member per month cost for MCS Alien Medical clients and the estimated number of additional MCS eligible clients. Based on estimates received from DSHS, it is assumed that the proposed policy would add an average of 179 clients to the monthly ABD caseload in the 2023-2025 biennium and 394 clients in the 2025-2027 biennium. It is assumed that about 5% of the estimated additional ABD cash clients would be eligible for and enter the MCS program. This is based on the percentage of ABD caseload that was eligible for MCS in SFY 2022. The analysis assumes an effective date of February 1, 2024, which limits the fiscal impact in fiscal year (FY) 2024 to 5 months.

The fiscal impact for fiscal year (FY) 2024 only includes 5 months and is estimated at \$16,724, with a GF-S impact of \$14,096. The annual fiscal impact is estimated to be \$112,872 for FY 2025, \$160,334 in FY 2026, and \$177,784 in FY 2027. The GF-S impact is estimated to be \$94,357 in FY 2025, \$134,033 in FY 2026, and \$148,621 in FY 2027.

HCA Fiscal Note

Bill Number: 1447 HB Assistance Programs

HCA Request #: 23-122-3

II. C - Operating Budget Expenditures

Account	Account Title	Type	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029
001-1	General Fund	State	14,000	94,000	134,000	149,000	149,000	149,000
001-C	General Fund	Medicaid	3,000	19,000	26,000	29,000	29,000	29,000
Totals			\$ 17,000	\$ 113,000	\$ 160,000	\$ 178,000	\$ 178,000	\$ 178,000

II. C - Expenditures by Object Or Purpose

		FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029
E	Goods and Other Services	17,000	113,000	160,000	178,000	178,000	178,000
Totals		\$ 17,000	\$ 113,000	\$ 160,000	\$ 178,000	\$ 178,000	\$ 178,000

Part IV: Capital Budget Impact

None

Part V: New Rule Making Require

None

Individual State Agency Fiscal Note

Bill Number: 1447 HB	Title: Assistance programs	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	17,000	951,000	968,000	2,818,000	2,860,000
Total \$	17,000	951,000	968,000	2,818,000	2,860,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	5.0	8.3	6.7	9.3	9.3
Account					
General Fund-State 001-1	20,414,000	57,311,000	77,725,000	157,240,000	166,996,000
General Fund-Federal 001-2	17,000	951,000	968,000	2,818,000	2,860,000
Total \$	20,431,000	58,262,000	78,693,000	160,058,000	169,856,000

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:

- 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.
- 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: Omeara Harrington	Phone: 360-786-7136	Date: 01/27/2023
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 02/18/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/18/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/27/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

HB 1447 relates to strengthening the ability of assistance programs to meet foundational needs of children, adults, and families.

Section 1 eliminates the \$10,000 limit on cash assistance program applicants' used motor vehicle value; expands exemptions to resources that can be applied toward meeting cash assistance program applicants' needs, to include retirement funds, pension plans, and retirement accounts; increases the asset limit for other exempt resources from \$6,000 to \$25,000. This section becomes effective February 1, 2024.

Section 2 adjusts payment levels annually for the Temporary Assistance for Needy Families (TANF), Refugee Cash Assistance (RCA), Aged, Blind, or Disabled (ABD), and Pregnant Women Assistance (PWA) cash assistance programs to no less than 15 percent of the need standard, requiring that payment levels may not increase by more than 3 percent in any single state fiscal year (FY). This section becomes effective January 1, 2024.

Sections 3 and 4 create a new hardship category for TANF Time Limit Extensions (TLEs), for cases in which termination or denial of cash assistance would result in financial distress for recipients' families; eliminate the requirement for the Department of Social and Health Services (DSHS) to adopt regulations to apply the 60-month time limit to households in which a parent is in the home and ineligible for TANF. Section 3 expires January 1, 2024; Section 4 becomes effective January 1, 2024.

Section 6 allows eligible households on cash assistance to keep 100 percent of their earned income for the first six months of new employment if their income remains below the need standard; after six consecutive months, the department may only disregard one-half of families' earnings during every month it is eligible to receive assistance. This section becomes effective August 1, 2024.

Section 8 amends language regarding good cause for TANF recipients to be exempt from WorkFirst activity requirements in RCW 74.08A.270, to include situations in which recipients are experiencing a hardship as defined by the department in rule

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts anticipated, estimated to be:

- \$17,000 in FY 2024
- \$951,000 in FY 2025
- \$1,388,000 in FY 2026
- \$1,430,000 in FY 2027 and beyond

Federal dollars earned will be 001-2 Federal - Other.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Estimated caseload impacts and associated costs are based on the DSHS Economic Services Administration (ESA) November 2022 forecast. Fiscal impact estimates will be updated upon completion of ESA's February 2023 forecast.

Section 1 of this bill increases asset limits and exemptions for cash assistance programs. ESA calculates average estimated monthly caseload increases of 271 TANF cases and 179 ABD cases in the 2023-2025 Biennium (BI 23-25), and 566 TANF cases and 394 ABD cases in the 2025-2027 Biennium (BI 25-27), to estimate total increases in client assistance. ESA estimates that the increased caseload will require additional resources to perform required eligibility, case management, and social services work. DSHS Technology Innovation Administration (TIA) estimates additional resources will be needed to implement required system updates in FY 2024. Assuming an effective date of February 1, 2024, ESA estimates the following fiscal impact:

- FY 2024: \$1,027,000 and 0.8 FTE
 - \$34,000 and 0.2 FTE TIA implementation costs
 - \$65,000 Information Technology (IT) contractor implementation costs
 - \$82,000 and 0.6 FTE administrative and social services costs
 - \$846,000 client service costs
- FY 2025: \$5,849,000 and 2.2 FTE
 - \$255,000 and 2.2 FTE administrative and social services costs
 - \$5,594,000 client service costs
- FY 2026: \$8,367,000 and 2.7 FTE
 - \$303,000 and 2.7 FTE administrative and social services costs
 - \$8,064,000 client service costs
- FY 2027 and beyond: \$8,645,000 and 2.7 FTE
 - \$303,000 and 2.7 FTE administrative and social services costs
 - \$8,342,000 client service costs

Provisions in Section 1 are also applicable to the Refugee Cash Assistance (RCA) and Pregnant Women Assistance (PWA) programs. ESA estimates immaterial caseload impact to both programs, and anticipates associated costs will be able to be absorbed within existing resources.

Section 2 of this bill aligns cash assistance program payment levels to 15 percent of the need standard, requiring that payment levels may not increase by more than 3 percent in any single state fiscal year. ESA calculates average estimated monthly caseload increases of 209 TANF cases in BI 23-25 and 318 TANF cases in BI 25-27, and an average estimated grant increase of 3 percent per household in all cash assistance households, to estimate total increases in client assistance. ESA estimates that the increased caseload will require additional resources to perform required eligibility, case management, and social services work. TIA estimates additional resources will be needed to implement required Automatic Client Eligibility System (ACES) updates in FY 2024. Assuming an effective date of January 1, 2024, ESA estimates the following fiscal impact:

- FY 2024: \$5,606,000 and 0.5 FTE
 - \$44,000 and 0.3 FTE TIA implementation costs
 - \$82,000 IT contractor implementation costs
 - \$21,000 and 0.2 FTE administrative and social services costs
 - \$5,442,000 client service costs
 - \$17,000 federal funds for RCA program grants
- FY 2025: \$16,057,000 and 0.3 FTE
 - \$56,000 and 0.3 FTE social services costs
 - \$15,967,000 client service costs
 - \$34,000 federal funds for RCA program grants

- FY 2026: \$24,653,000 and 0.3 FTE
 - \$56,000 and 0.3 FTE social services costs
 - \$24,562,000 client service costs
 - \$35,000 federal funds for RCA program grants
- FY 2027 and beyond: \$33,629,000 and 0.3 FTE
 - \$56,000 and 0.3 FTE social services costs
 - \$33,536,000 client service costs
 - \$37,000 federal funds for RCA program grants

The 3 percent cap on payment level increases per fiscal year provided in Section 2 is currently a barrier to grant amounts reaching 15 percent of need standard, as also required in this section. An amendment has been suggested to modify language clarifying that an initial increase exceeding 3 percent will be required in the first year of the bill's implementation in order to increase grant amounts to 15 percent of the need standard, and the 3 percent cap applied to all fiscal years thereafter.

Sections 3 and 4 create a new hardship category for TANF TLEs, and eliminate the statutory requirement to apply the 60-month time limit to households in which a parent is in the home but ineligible for TANF assistance. ESA calculates an average estimated monthly caseload increase of 1,882 TANF cases in BI 23-25 and 2,333 TANF cases in BI 25-27 to estimate total increases in client assistance. With this caseload increase, ESA estimates additional resources will be needed to perform required eligibility, case management, and social services work. TIA estimates additional resources will be needed to implement required system updates in FY 2024. Assuming an effective date of January 1, 2024, ESA estimates the following fiscal impact:

- FY 2024: \$13,429,000 and 3.3 FTE
 - \$62,000 and 0.5 FTE TIA implementation costs
 - \$474,000 IT contractor implementation costs
 - \$12,626,000 client service costs
 - \$267,000 and 2.8 FTE social services costs
- FY 2025: \$17,560,000 and 4.0 FTE
 - \$17,144,000 client service costs
 - \$416,000 and 4.0 FTE social services costs
- FY 2026: \$18,975,000 and 4.2 FTE
 - \$18,540,000 client service costs
 - \$435,000 and 4.2 FTE social services costs
- FY 2027 and beyond: \$19,471,000 and 4.2 FTE
 - \$19,036,000 client service costs
 - \$435,000 and 4.2 FTE social services costs

The Governor's proposed 2023-2025 biennial budget extends TLEs through FY 2025, but does not provide funding for IT system updates for that period. However, ESA includes estimated IT costs in this fiscal note in order to represent the ongoing nature of updates required to support this policy indefinitely into the future.

Section 6 allows eligible households on cash assistance to keep 100 percent of their earned income for the first six months of new employment if their income remains below the need standard, after which the department may only disregard one-half of the family's earnings during every month it is eligible to receive assistance. ESA assumes a cap on earned income disregarded at 200 percent of the federal poverty level (FPL).

As written, Section 6 is in conflict with RCW 74.04.266, which limits earnings disregards for the ABD program to not exceed the exemption allowable under disability programs authorized in Title XVI of the federal social security act. Therefore, no fiscal impact to the ABD program is estimated in this fiscal note. The department has provided a letter to the legislature requesting that this bill includes a section repealing the conflicting RCW.

ESA calculates an average estimated monthly caseload increase of 2,571 TANF cases and 207 RCA cases in FY 2025, and 2,762 TANF cases and 271 RCA cases in BI 25-27 to estimate total increases in client assistance. ESA estimates additional resources will be needed to perform required eligibility, case management, and social services work. TIA estimates additional resources will be needed to implement required system updates. Assuming an effective date of August 1, 2024, ESA estimates the following fiscal impact:

- FY 2024: \$369,000 and 0.4 FTE
 - \$63,000 and 0.4 FTE TIA implementation costs
 - \$306,000 IT contractor implementation costs

- FY 2025: \$18,796,000 and 1.8 FTE
 - \$185,000 and 1.8 FTE social services costs
 - \$17,694,000 client service costs
 - \$917,000 federal funds for RCA program grants

- FY 2026: \$23,135,000 and 2.1 FTE
 - \$211,000 and 2.1 FTE social services costs
 - \$21,571,000 client service costs
 - \$1,353,000 federal funds for RCA program grants

- FY 2027 and beyond: \$23,183,000 and 2.1 FTE
 - \$211,000 and 2.1 FTE social services costs
 - \$21,579,000 client service costs
 - \$1,393,000 federal funds for RCA program grants

Provisions in Section 6 are also applicable to the PWA program. ESA estimates immaterial caseload impact to the program, and anticipates associated costs will be able to be absorbed within existing resources.

Section 6 will also impact eligibility for Transitional Food Assistance (TFA), and therefore likely decrease Basic Food benefit amounts for eligible households, resulting in an overall decrease in federal Supplemental Nutrition Assistance Program (SNAP) and state-funded food assistance benefit utilization, and an increase in TANF and/or state-funded cash assistance program expenditures. The net impact is unable to be reasonably estimated at this time; this fiscal note assumes no fiscal impact associated with impacts to TFA eligibility.

Section 8 strengthens the language regarding good cause for a recipient of TANF to be exempt from WorkFirst activity requirements in RCW 74.08A.270. No associated fiscal impact is anticipated, as current policy and procedure provides exemption from WorkFirst activities for good cause.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	20,414,000	57,311,000	77,725,000	157,240,000	166,996,000
001-2	General Fund	Federal	17,000	951,000	968,000	2,818,000	2,860,000
Total \$			20,431,000	58,262,000	78,693,000	160,058,000	169,856,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	5.0	8.3	6.7	9.3	9.3
A-Salaries and Wages	390,000	544,000	934,000	1,220,000	1,220,000
B-Employee Benefits	131,000	280,000	411,000	588,000	588,000
C-Professional Service Contracts	65,000		65,000		
E-Goods and Other Services	2,358,000	3,046,000	5,404,000	6,994,000	7,114,000
G-Travel	1,000	3,000	4,000	8,000	8,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	17,467,000	54,354,000	71,821,000	151,168,000	160,846,000
P-Debt Service	1,000	4,000	5,000	8,000	8,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	14,000	23,000	37,000	54,000	54,000
9-TZ-ISSD	4,000	8,000	12,000	18,000	18,000
Total \$	20,431,000	58,262,000	78,693,000	160,058,000	169,856,000

III. C - Operating FTE 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 2024	FY 2025	2023-25	2025-27	2027-29
IT BUSINESS ANALYST - SENIOR SPECIALIST	113,059	0.1		0.1		
IT QUALITY ASSURANCE - SENIOR / SPECIALIST	113,059	0.8		0.4		
IT SYSTEMS ADMIN - SENIOR/SPECIALIST	113,059	0.5		0.3		
PUBLIC BENEFITS SPECIALIST 3	63,214	1.9	3.7	2.8	4.0	4.0
SOCIAL SERVICE SPECIALIST 3	78,900	0.3	0.7	0.5	0.8	0.8
WORKFIRST PROGRAM SPECIALIST	64,787	1.4	3.9	2.7	4.5	4.5
Total FTEs		5.0	8.3	6.7	9.3	9.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Changes would be needed for multiple WAC chapters, including emergency rule making.

Individual State Agency Fiscal Note

Revised

Bill Number: 1447 HB	Title: Assistance programs	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	2,000	6,000	8,000	14,000	14,000
Total \$	2,000	6,000	8,000	14,000	14,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	3.1	2.1	3.4	3.4
Account					
General Fund-State 001-1	4,571,000	14,706,000	19,277,000	33,696,000	33,074,000
General Fund-Federal 001-2	2,000	6,000	8,000	14,000	14,000
Total \$	4,573,000	14,712,000	19,285,000	33,710,000	33,088,000

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:

- 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.
- 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.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

HB 1447 makes changes to income and resource eligibility for Temporary Assistance for Needy Families (TANF) and other assistance programs at the Department of Social and Health Services (DSHS).

Section 1(13)(e) amends RCW 74.05.005 to include the entire value of a vehicle (rather than \$10,000) and retirement funds, pension plans, and retirement accounts when determining TANF client resources. This section also raises the limit of other resources from \$6,000 to \$25,000.

Section 2(3) amends RCW 74.04.770 to change TANF payment levels to no less than 15 percent of need or the previous year's payment level, whichever is greater. Payment levels may not increase more than three percent in any single state fiscal year.

Section 3(4)(a) amends RCW 74.08A.010 to refer TANF clients to specific programs at the Department of Commerce and Labor and Industries when they need specialized assistance relevant to those programs. This section limits TANF's ability to terminate or deny cash assistance if it puts financial distress on a recipient's family.

Section 3(4)(a) amends RCW 74.08A.010 to remove a requirement for DSHS to adopt rules to regulate the time limit for households receiving TANF to apply. This section also limits TANF's ability to terminate or deny cash assistance if it puts financial distress on a recipient's family.

Section 5 amends 74.08A.015 to update RCW references in compliance with section 4 above without making a policy change.

Section 6(1) amends RCW 74.08A.230 to allow a family receiving TANF to keep 100 percent of new earnings for up to six months, after which DSHS may only disregard half of the participating family's earnings during every month it is eligible under this RCW.

Section 6(2) amends RCW 74.08A.230 to change the language from 'maximum earned income level' to 'need standard'.

Section 8(1) amends RCW 74.08A.270 to clarify "good cause" situations where families fail to participate in WorkFirst activities as required by TANF, including new language limiting DSHS' ability to terminate or deny cash assistance if the recipient is experiencing hardship as determined by DSHS in rule.

Section 9 requires Section 3 of this act to expire January 1, 2024.

Section 10 requires Sections 2 and 4 of this act to take effect January 1, 2024.

Section 11 requires Section 1 of this act to take effect February 1, 2024.

Section 12 requires that Section 6 of this act take effect August 1, 2024.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Title IV-E, the federal reimbursement is 13 percent. The agency estimates eligible reimbursements of \$8,000.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The Department of Children, Youth and Families estimates \$19,285,000 (\$19,277,000 GF-S) and 2.1 Full Time Equivalent Staff (FTEs) in the 23-25 Biennium.

Section 1(13)(f)

Total Costs are \$154,000 in FY24 and \$1,247,000 in FY25.

This section of the bill increases the limit of all other resources from \$6,000 to \$25,000. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 143 in FY24 and 398 in FY25. DCYF assumes that 10% of TANF participants will also participate in WCCC. The assumed increase in the WCCC caseload for this section is 14.3 in FY24 and 39.8 in FY25. This section of the bill takes effect February 2024.

DCYF assumes a monthly per cap cost of \$2,158.23. The total assumed cost for FY24 is \$154,000 (14.3 new cases X \$2,158.23 per cap X 5-month eligibility), and for FY25 is \$1,247,000 ((14.3 new cases X \$2,158.23 per cap X 7-month eligibility)+(39.8 new cases X \$2,158.23 per cap X 12-month eligibility)).

Section 2(3)

Total Costs are \$251,000 in FY24 and \$831,000 in FY25.

This section of the bill changes TANF payment levels to no less than 15% of need or the previous year's payment level, whichever is greater. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 194 in FY24 and 224 in FY25. DCYF assumes that 10% of TANF participants will also participate in WCCC. The assumed increase in the WCCC caseload for this section is 194 in FY24 and 224 in FY25. This section of the bill takes effect January 2024.

DCYF assumes a monthly per cap cost of \$2,158.23. The total assumed cost for FY24 is \$251,000 (19.4 new cases X \$2,158.23 per cap X 6 month eligibility), and for FY25 is \$831,000 ((19.4 new cases X \$2,158.23 per cap X 6 month eligibility)+(22.4 new cases X \$2,158.23 per cap X 12 month eligibility)).

TANF is counted as part of the Early Childhood Education and Assistance Program (ECEAP) Performance Standards under PAO-45: Which Income to Count. Allowing families to return to work and keep their full TANF benefits may put families over income limits for ECEAP and Early ECEAP services, however the fiscal impact of this change is indeterminate until a range or dollar amount for the standard of need is determined.

Sections 3(4)(a) and 4(4)(a)

Total Costs are \$4,048,000 in FY24 and \$5,698,000 in FY25.

These sections of the bill make the hardship time limit extension permanent, permanently increasing the timeline for potential TANF applicants to apply. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 1,563 in FY24 and 2,200 in FY25. DCYF assumes that 10% of TANF participants will also participate in WCCC. The assumed increase in the WCCC caseload for this section is 156.3 in FY24 and 220 in FY25.

DCYF assumes a monthly per cap cost of \$2,158.23. The total assumed cost for FY24 is \$4,048,000 (156.3 new cases X \$2,158.23 per cap X 12 month eligibility), and for FY25 is \$5,698,000 (220 new cases X \$2,158.23 per cap X 12 month eligibility).

Section 6(1)

Total Costs are \$6,593,000 in FY25.

This section of the bill allows a family receiving TANF to keep 100% of new earnings for up to six months, after which DSHS may only disregard half of the participating family’s earnings during every month it is eligible. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 0 in FY24 and 2,777 in FY25. DCYF assumes that 10% of TANF participants will also participate in WCCC. The assumed increase in the WCCC caseload for this section is 0 in FY24 and 277.7 in FY25. This section of the bill takes effect August 2024.

DCYF assumes a monthly per cap cost of \$2,158.23. The total assumed cost for FY25 is \$6,593,000 (277.7 new cases X \$2,158.23 per cap X 11 month eligibility).

Staffing for All Sections

Total Costs are \$120,000 in FY24 and \$343,000 in FY25 and 2.1 FTE – this will include any costs associated with the below and all costs in the model that include the standard FTE costs.

- 1.0 Public Benefit Specialist 3s (PBS3) beginning FY24
- 3.1 Public Benefit Specialist 3s (PBS3) beginning FY25

This bill makes changes to TANF income eligibility, which will result in caseload increases for WCCC. DCYF assumes 1 PBS3 per 200 cases, 1 PBS4 per 11 PBS3s, and 1 PBS5 per 12 PBS3/PBS4.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	4,571,000	14,706,000	19,277,000	33,696,000	33,074,000
001-2	General Fund	Federal	2,000	6,000	8,000	14,000	14,000
Total \$			4,573,000	14,712,000	19,285,000	33,710,000	33,088,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	3.1	2.1	3.4	3.4
A-Salaries and Wages	64,000	190,000	254,000	423,000	422,000
B-Employee Benefits	26,000	76,000	102,000	170,000	170,000
C-Professional Service Contracts					
E-Goods and Other Services	2,000	6,000	8,000	12,000	12,000
G-Travel	3,000	7,000	10,000	16,000	16,000
J-Capital Outlays	8,000	15,000	23,000	3,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	4,453,000	14,369,000	18,822,000	32,976,000	32,358,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	17,000	49,000	66,000	110,000	110,000
9-					
Total \$	4,573,000	14,712,000	19,285,000	33,710,000	33,088,000

III. C - Operating FTE 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 2024	FY 2025	2023-25	2025-27	2027-29
Public Benefit Specialist 3	61,628	1.0	3.1	2.1	3.4	3.4
Total FTEs		1.0	3.1	2.1	3.4	3.4

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	4,556,000	14,663,000	19,219,000	33,600,000	32,978,000
Program Support (090)	17,000	49,000	66,000	110,000	110,000
Total \$	4,573,000	14,712,000	19,285,000	33,710,000	33,088,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.