

Multiple Agency Fiscal Note Summary

Bill Number: 1652 E S HB	Title: Child support pass through
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Estimated Cash Receipts

NONE

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
Department of Social and Health Services	Fiscal note not available											
Department of Children, Youth, and Families	.0	892,000	892,000	892,000	.0	3,294,000	3,294,000	3,294,000	.0	3,294,000	3,294,000	3,294,000
Total \$	0.0	892,000	892,000	892,000	0.0	3,294,000	3,294,000	3,294,000	0.0	3,294,000	3,294,000	3,294,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	Fiscal note not available								
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

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Preliminary 3/21/2023
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Individual State Agency Fiscal Note

Bill Number: 1652 E S HB	Title: Child support pass through	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	0	892,000	892,000	3,294,000	3,294,000
Total \$	0	892,000	892,000	3,294,000	3,294,000

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: Matt Mazur-Hart	Phone: 360-786-7139	Date: 03/04/2023
Agency Preparation: Melissa Jones	Phone: (360) 688-0134	Date: 03/08/2023
Agency Approval: James Smith	Phone: 360-764-9492	Date: 03/08/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 03/20/2023

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.

Comparison of 1652 HB and 1652 ESHB

1652 ESHB requires the Department of Social and Health Services (DSHS) to pass through to a family receiving Temporary Assistance for Needy Families (TANF) all current child support collected each month on behalf of the family.

Sec. 3 is a new section which states this act is null and void if funding is not provided by June 30, 2023.

Sec. 4 (moved from Sec.3) establishing an effective date of July 1, 2024.

1652 HB

This bill requires the DSHS to pass through child support and child support arrears to families receiving TANF, beginning July 1, 2024. (Current law requires that DSHS pass through \$50 per month for a family with one child and up to \$100 per month for a family with two or more children.)

Section 2 is a new section that disregards child support payments as income in determining eligibility for TANF and for determining the amount of assistance that a family qualifies for.

Section 3 is a new section establishing an effective date of July 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.

None.

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.

Section 2

Total costs are \$892,000 in FY25. Beginning in FY26, when full caseload is reached, DCYF estimates ongoing annual costs of \$1,647,000.

According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is the assumed increase of 63.6 cases annually.

DCYF assumes that 10% of families will participate in Working Connections Child Care (WCCC). Economic Services Administration (ESA) assumed 53 cases will be terminated a month for excess child support payments and back into TANF caseload. Based on ESA assumptions, WCCC would expect 63.6 new cases annually (53 x 10% = 5.3 new cases per month x 12 = 63.6 annual).

DCYF assumes that it will take twelve months to reach the full case load, which will lead to 54% of the caseload or 34.5 cases in FY25, and full caseload of 63.6 in FY26.

DCYF assumes a monthly per cap cost of \$2,158.23. The total assumed cost for FY25 is \$1,647,161 (34.5 cases x \$2,158.23 X 12-month eligibility), and for FY26 is \$976,000 (63.6 cases X \$2,158.23 X 12-month eligibility).

Assumption:

Approximately 10% of TANF cases currently participate in subsidy, this same 10% is applied to the new WCCC estimated cases.

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	0	892,000	892,000	3,294,000	3,294,000
Total \$			0	892,000	892,000	3,294,000	3,294,000

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					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		892,000	892,000	3,294,000	3,294,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	892,000	892,000	3,294,000	3,294,000

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)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Child Welfare (001)		892,000	892,000	3,294,000	3,294,000
Total \$		892,000	892,000	3,294,000	3,294,000

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

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.