

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1447 2S HB AMS HS S2311.1	<b>Title:</b> 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	3,000	0	0	10,000	0	0	10,000
Department of Social and Health Services	0	0	11,000	0	0	32,000	0	0	32,000
Department of Children, Youth, and Families	0	0	1,000	0	0	4,000	0	0	4,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>46,000</b>	<b>0</b>	<b>0</b>	<b>46,000</b>

## 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 Commerce	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Washington State Health Care Authority	.0	84,000	84,000	87,000	.0	217,000	217,000	227,000	.0	228,000	228,000	238,000
Department of Social and Health Services	1.9	9,882,000	9,882,000	9,893,000	3.5	21,163,000	21,163,000	21,195,000	3.5	21,214,000	21,214,000	21,246,000
Department of Children, Youth, and Families	.3	2,662,000	2,662,000	2,663,000	.8	7,540,000	7,540,000	7,544,000	.8	7,538,000	7,538,000	7,542,000
<b>Total \$</b>	<b>2.2</b>	<b>12,628,000</b>	<b>12,628,000</b>	<b>12,643,000</b>	<b>4.3</b>	<b>28,920,000</b>	<b>28,920,000</b>	<b>28,966,000</b>	<b>4.3</b>	<b>28,980,000</b>	<b>28,980,000</b>	<b>29,026,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
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
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

# Estimated Capital Budget Breakout

<b>Prepared by:</b> Anna Minor, OFM	<b>Phone:</b> (360) 790-2951	<b>Date Published:</b> Revised 4/ 6/2023
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1447 2S HB AMS HS S2311.1	<b>Title:</b> Assistance programs	<b>Agency:</b> 103-Department of Commerce
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

**Non-zero but indeterminate cost and/or savings. 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:

- 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: Josh Hinman	Phone: 3607867281	Date: 03/17/2023
Agency Preparation: Tedd Kelleher	Phone: 360-725-2930	Date: 03/22/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 03/22/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 03/22/2023

## 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.*

Summary of 1447 2S HB AMS HS S2311.1:

Section 1(13) changes the asset limits for means testing the Housing and Essential Needs program and other Department of Social and Health Services (DSHS) programs, by removing the equity value limit on motor vehicles and retirement assets from the asset test and increasing the allowed the allowed equity value of other resources from the current \$6,000 to \$25,000. This is the only section with a potential fiscal impact on the Department, and it is unchanged from the previous version of the proposal.

Section 2 (3) amends RCW 74.08A.010 removing the requirement to adopt regulations to apply the sixty-month time limit to households in which a parent is in the home and ineligible for temporary assistance for needy families.

Section 3 (3) amends RCW 74.08A.010 removing the requirement to adopt regulations to apply the sixty-month time limit to households in which a parent is in the home and ineligible for temporary assistance for needy families.

Section 4 makes technical fixes to references changed by other sections.

Section 5 would increase the earned income disregard families receiving assistance TANF from the current 50% to 100% for the first six months of enrollment and increases the eligibility income limit from current limits set by the DSHS to 200% pf the federal poverty level.

Section 6 would extend the duration of vocational training available under the TANF program from 12 months to up to 24 months, subject to available funding.

Section 7 would expand the allowable good causes for failure to participate in WorkFirst to include hardships defined by DSHS in rule.

Section 8-13 define implementation dates for sections of the proposal and makes the proposal null and void if not funded.

### 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 1 changes the asset limits for means testing in this Housing and Essential Needs (HEN) program. The impact to the program is indeterminate because HEN is explicitly not an entitlement, and the department cannot estimate the potential increase in the number of people eligible for Housing and Essential Needs under this proposal.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

**III. B - Expenditures by Object Or Purpose**

Non-zero but indeterminate cost and/or savings. Please see discussion.

**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

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.*

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 1447 2S HB AMS HS S2311.1	<b>Title:</b> Assistance programs	<b>Agency:</b> 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	3,000	10,000	10,000
<b>Total \$</b>		3,000	3,000	10,000	10,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
<b>Account</b>					
General Fund-State 001-1	11,000	73,000	84,000	217,000	228,000
General Fund-Federal 001-2	0	3,000	3,000	10,000	10,000
<b>Total \$</b>	11,000	76,000	87,000	227,000	238,000

### 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: Josh Hinman	Phone: 3607867281	Date: 03/17/2023
Agency Preparation: Joseph Cushman	Phone: 360-725-5714	Date: 04/03/2023
Agency Approval: SUMAN MAJUMDAR	Phone: 360-725-1319	Date: 04/03/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 04/04/2023

## 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	11,000	73,000	84,000	217,000	228,000
001-2	General Fund	Federal	0	3,000	3,000	10,000	10,000
<b>Total \$</b>			11,000	76,000	87,000	227,000	238,000

### 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	11,000	76,000	87,000	227,000	238,000
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-					
<b>Total \$</b>	11,000	76,000	87,000	227,000	238,000

**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 2SHB AMS HS S2311.1

HCA Request #: 23-211-2

## 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 Social and Health Services (DSHS).

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

This section becomes effective February 1, 2024.

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Sec. 1(13)(f) increases the total limit of all other resources from \$6,000 to \$18,000.

### 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	5,000	5,000	5,000	5,000
Totals	\$ -	\$ 3,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000

### 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 107 clients to the monthly ABD caseload in the 2023-2025 biennium and 236 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.

# HCA Fiscal Note

Bill Number: 1447 2SHB AMS HS S2311.1

HCA Request #: 23-211-2

The fiscal impact for fiscal year (FY) 2024 only includes 5 months and is estimated at \$11,000, with a GF-S impact of \$11,000. The annual fiscal impact is estimated to be \$76,000 for FY 2025, \$108,000 in FY 2026, and \$119,000 in FY 2027. The GF-S impact is estimated to be \$73,000 in FY 2025, \$103,000 in FY 2026, and \$114,000 in FY 2027.

**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	11,000	73,000	103,000	114,000	114,000	114,000
001-C	General Fund	Medicaid	-	3,000	5,000	5,000	5,000	5,000
<b>Totals</b>			<b>\$ 11,000</b>	<b>\$ 76,000</b>	<b>\$ 108,000</b>	<b>\$ 119,000</b>	<b>\$ 119,000</b>	<b>\$ 119,000</b>

**II. C - Expenditures by Object Or Purpose**

		FY-2024	FY-2025	FY-2026	FY-2027	FY-2028	FY-2029
E	Goods and Other Services	11,000	76,000	108,000	119,000	119,000	119,000
<b>Totals</b>		<b>\$ 11,000</b>	<b>\$ 76,000</b>	<b>\$ 108,000</b>	<b>\$ 119,000</b>	<b>\$ 119,000</b>	<b>\$ 119,000</b>

## Part IV: Capital Budget Impact

None

## Part V: New Rule Making Require

None

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1447 2S HB AMS HS S2311.1	<b>Title:</b> Assistance programs	<b>Agency:</b> 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		11,000	11,000	32,000	32,000
<b>Total \$</b>		11,000	11,000	32,000	32,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.4	2.3	1.9	3.5	3.5
<b>Account</b>					
General Fund-State 001-1	2,173,000	7,709,000	9,882,000	21,163,000	21,214,000
General Fund-Federal 001-2	0	11,000	11,000	32,000	32,000
<b>Total \$</b>	2,173,000	7,720,000	9,893,000	21,195,000	21,246,000

### 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: Josh Hinman	Phone: 3607867281	Date: 03/17/2023
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 04/06/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 04/06/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/06/2023

## 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.*

2SHB 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 \$18,000. This section becomes effective February 1, 2024.

The asset limit increase in this section is amended from \$25,000 in prior versions of the bill.

Sections 2 and 3 eliminate the requirement for the Department of Social and Health Services (DSHS) to adopt regulations to apply the 60-month time limit to households receiving Temporary Assistance for Needy Families (TANF) cash assistance, in which a parent is in the home and ineligible for TANF. Section 2 takes effect July 1, 2023 and expires January 1, 2024; Section 3 becomes effective January 1, 2024.

Section 5 allows eligible households on cash assistance to keep the first \$250 of the family's earnings in addition to one-half of remaining earnings during every month it is eligible to receive assistance, effective August 1, 2024.

Statutory language is restored in this amended bill, maintaining the maximum gross income level as set by the department. Currently, the maximum earned income limit is set in rule at two times the payment standard.

Section 7 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

Section 8 adds a standard null and void clause, requiring for funding to be provided by June 30, 2023.

### 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:

- \$11,000 in FY 2025
- \$16,000 in FY 2026 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) 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 237 TANF cases and 107 ABD cases in the 2023-2025 Biennium (BI 23-25), and 496 TANF

cases and 236 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 Fiscal Year (FY) 2024. Assuming an effective date of February 1, 2024, ESA estimates the following fiscal impact:

- FY 2024: \$850,000 and 0.6 FTE
  - \$34,000 and 0.2 FTE TIA implementation costs
  - \$65,000 Information Technology (IT) contractor implementation costs
  - \$59,000 and 0.4 FTE administrative and social services costs
  - \$692,000 client service costs
- FY 2025: \$4,694,000 and 1.6 FTE
  - \$194,000 and 1.6 FTE administrative and social services costs
  - \$4,500,000 client service costs
- FY 2026: \$6,623,000 and 2.0 FTE
  - \$231,000 and 2.0 FTE administrative and social services costs
  - \$6,392,000 client service costs
- FY 2027 and beyond: \$6,713,000 and 2.0 FTE
  - \$231,000 and 2.0 FTE administrative and social services costs
  - \$6,482,000 client service costs

Provisions in Section 1 are also applicable to the Refugee Cash Assistance (RCA) and Pregnant Women Assistance (PWA) programs. ESA estimates minimal caseload impact to both programs, and anticipates associated expenditure impacts will be captured in the forecast cycle for the 2024 Supplemental budget.

Sections 2 and 3 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 153 TANF cases in BI 23-25 and 162 TANF cases BI 25-27 to estimate total increases in client assistance. ESA estimates that the increased caseload will require additional resources to perform required eligibility and social services work. TIA estimates additional resources will be needed to implement required system updates in FY 2024. Assuming an effective date of July 1, 2023 for Section 2, and an effective date of January 1, 2024 for Section 3, ESA estimates the following fiscal impact:

- FY 2024: \$1,238,000 and 0.6 FTE
  - \$80,000 and 0.5 FTE TIA implementation costs
  - \$474,000 IT contractor implementation costs
  - \$11,000 and 0.1 FTE social services costs
  - \$673,000 client service costs
- FY 2025: \$1,067,000 and 0.2 FTE
  - \$19,000 and 0.2 FTE social services costs
  - \$1,048,000 client service costs
- FY 2026: \$949,000 and 0.2 FTE
  - \$20,000 and 0.2 FTE social services costs
  - \$929,000 client service costs
- FY 2027 and beyond: \$910,000 and 0.2 FTE
  - \$20,000 and 0.2 FTE social services costs

- \$890,000 client service costs

Section 5 allows eligible households on cash assistance to keep the first \$250 of the family’s earnings in addition to one-half of remaining earnings during every month it is eligible to receive assistance. This fiscal note assumes a maximum earned income limit of two times the payment standard, as set by the department in current rule.

As written, Section 5 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 380 TANF cases and 1 RCA case in FY 2025, and averages of 860 TANF cases and 5 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: \$85,000 and 0.2 FTE
  - \$32,000 and 0.2 FTE TIA implementation costs
  - \$53,000 IT contractor implementation costs
- FY 2025: \$1,959,000 and 0.5 FTE
  - \$50,000 and 0.5 FTE social services costs
  - \$1,898,000 client service costs
  - \$11,000 federal funds for RCA program grants
- FY 2026 and beyond: \$3,000,000 and 1.3 FTE
  - \$131,000 and 1.3 FTE social services costs
  - \$2,853,000 client service costs
  - \$16,000 federal funds for RCA program grants

Provisions in Section 5 are also applicable to the PWA program. ESA estimates minimal caseload impact, and anticipates associated expenditure impact will be picked up in the forecast cycle for the 2024 Supplemental budget.

Section 5 will 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 7 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	2,173,000	7,709,000	9,882,000	21,163,000	21,214,000
001-2	General Fund	Federal	0	11,000	11,000	32,000	32,000
<b>Total \$</b>			2,173,000	7,720,000	9,893,000	21,195,000	21,246,000

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.4	2.3	1.9	3.5	3.5
A-Salaries and Wages	136,000	154,000	290,000	464,000	464,000
B-Employee Benefits	64,000	84,000	148,000	226,000	226,000
C-Professional Service Contracts	65,000		65,000		
E-Goods and Other Services	536,000	193,000	729,000	928,000	928,000
G-Travel		1,000	1,000	2,000	2,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	1,365,000	7,277,000	8,642,000	19,543,000	19,594,000
P-Debt Service		1,000	1,000	4,000	4,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	5,000	7,000	12,000	22,000	22,000
9-TZ-ISSD	2,000	3,000	5,000	6,000	6,000
<b>Total \$</b>	<b>2,173,000</b>	<b>7,720,000</b>	<b>9,893,000</b>	<b>21,195,000</b>	<b>21,246,000</b>

**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	0.3		0.2		
IT SYSTEMS ADMIN - SENIOR/SPECIALIST	113,059	0.5		0.3		
PUBLIC BENEFITS SPECIALIST 3	63,214	0.2	0.5	0.4	1.0	1.0
SOCIAL SERVICE SPECIALIST 3	78,900	0.1	0.4	0.3	0.5	0.5
WORKFIRST PROGRAM SPECIALIST	64,787	0.2	1.4	0.8	2.0	2.0
<b>Total FTEs</b>		<b>1.4</b>	<b>2.3</b>	<b>1.9</b>	<b>3.5</b>	<b>3.5</b>

**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

<b>Bill Number:</b> 1447 2S HB AMS HS S2311.1	<b>Title:</b> Assistance programs	<b>Agency:</b> 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		1,000	1,000	4,000	4,000
<b>Total \$</b>		1,000	1,000	4,000	4,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.5	0.3	0.8	0.8
<b>Account</b>					
General Fund-State 001-1	456,000	2,206,000	2,662,000	7,540,000	7,538,000
General Fund-Federal 001-2	0	1,000	1,000	4,000	4,000
<b>Total \$</b>	456,000	2,207,000	2,663,000	7,544,000	7,542,000

### 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: Josh Hinman	Phone: 3607867281	Date: 03/17/2023
Agency Preparation: Ashley McEntyre	Phone: 2533064501	Date: 03/24/2023
Agency Approval: Sarah Emmans	Phone: 360-628-1524	Date: 03/24/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 03/28/2023

## 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 2SHB 1447 and SHB 1447

Section 1(13)(f) amends RCW 74.05.005 to raise the limit of other resources to \$18,000 as of February 1, 2024.

Section 5(1) is amended to allow a family to earn and keep the first \$250 of the families remaining earnings in addition to one half of the families remaining earnings during every month of eligibility.

Section 5(2) is amended to strike the change in income eligibility from ‘need standard’ to 200 percent of the federal poverty level.

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SHB 1447

Section 1(13)(c) amends RCW 74.05.005 to exclude the entire value of a vehicle (rather than \$10,000) when determining TANF client resources.

Section 1(13)(e) amends RCW 74.05.005 to exclude retirement funds, pension plans, and retirement accounts when determining TANF client resources.

Section 1(13)(f) amends RCW 74.05.005 to raise the limit of other resources from \$6,000 to \$18,000 when determining TANF client resources as of February 1, 2024.

Section 2(3) 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.

Section 3(3) 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.

Section 5(1) is amended to allow a family to earn and keep the first \$250 of the families remaining earnings in addition to one half of the families remaining earnings during every month of eligibility.

Section 7(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 8 adds an emergency clause that establishes an effective date of July 1, 2023 if this bill is passed.

Section 9 requires Section 2 of this act to expire January 1, 2024.

Section 10 requires Section 3 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 5 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 \$1,000.

## 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 \$2,663,000 (\$2,662,000 GF-S) and 0.25 Full Time Equivalent Staff (FTEs) in the 23-25 Biennium.

### Section 1(13)(f)

Total Costs are \$164,000 in FY24 and \$848,000 in FY25.

This section of the bill increases the limit of all other resources from \$6,000 to \$18,000. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 125 in FY24 and 349 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 13 in FY24 and 35 in FY25. This section of the bill takes effect February 2024.

DCYF assumes a monthly per cap cost of \$2,025.83, based on the February 2023 Forecast. DCYF further assumes a ramp up period, achieving 54% of the caseload in FY24 and the entire caseload in FY25. The total assumed cost for FY24 is \$164,000 (13 new cases X \$2,025.83 per cap X 12 month eligibility X 54% ramp), and for FY25 is \$848,000 (35 new cases X \$2,025.83 per cap X 12 month eligibility).

### Section 2(3)

Total Costs are \$291,200 in FY24 and \$454,600 in FY25.

This section of the bill removes a requirement for DSHS to adopt rules to regulate the time limit for households receiving TANF. According to DSHS data from January 2023, the anticipated increase in TANF caseload under this section is 120 in FY24 and 187 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 12 in FY24 and 19 in FY25.

DCYF assumes a monthly per cap cost of \$2,025.83. The total assumed cost for FY24 is \$291,200 (12 new cases X \$2,025.83 per cap X 12 month eligibility), and for FY25 is \$454,600 (19 new cases X \$2,025.83 per cap X 12 month eligibility).

### Section 5(1)

Total Costs are \$846,800 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. This section has an implementation date of August 2024. According to DSHS data from January 2023, the anticipated increase in TANF

caseload under this section is 380 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 38 in FY25. This section of the bill takes effect August 2024.

DCYF assumes a monthly per cap cost of \$2,025.83. The total assumed cost for FY25 is \$846,800 (38 new cases X \$2,025.83 per cap X 11 month eligibility).

Section 5(2)

TANF is counted as part of the Early Childhood Education and Assistance Program (ECEAP) Performance Standards under PAO-45: Which Income to Count. This section of the bill proposes using 200% FPL to determine income eligibility for TANF. ECEAP and Early ECEAP use State Median Income (SMI) to determine income eligibility. DCYF assumes 5% of families enrolled in ECEAP receive TANF. DCYF further assumes a 5% reduction in the ECEAP caseload. This reduction will not affect ECEAP expenditures until FY27, when entitlement is reached.

Staffing for All Sections

Total Costs are \$217,000 in FY25 and 1.0 FTE – this will include any costs associated with the below and all costs in the model that include the standard FTE costs.

-1.9 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	456,000	2,206,000	2,662,000	7,540,000	7,538,000
001-2	General Fund	Federal	0	1,000	1,000	4,000	4,000
<b>Total \$</b>			456,000	2,207,000	2,663,000	7,544,000	7,542,000

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.5	0.3	0.8	0.8
A-Salaries and Wages		31,000	31,000	102,000	102,000
B-Employee Benefits		12,000	12,000	40,000	40,000
C-Professional Service Contracts					
E-Goods and Other Services		1,000	1,000	2,000	2,000
G-Travel		1,000	1,000	4,000	4,000
J-Capital Outlays		4,000	4,000	2,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	456,000	2,150,000	2,606,000	7,368,000	7,368,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		8,000	8,000	26,000	26,000
9-					
<b>Total \$</b>	456,000	2,207,000	2,663,000	7,544,000	7,542,000

**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		0.5	0.3	0.8	0.8
<b>Total FTEs</b>			0.5	0.3	0.8	0.8

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	456,000	2,199,000	2,655,000	7,518,000	7,516,000
Program Support (090)		8,000	8,000	26,000	26,000
<b>Total \$</b>	456,000	2,207,000	2,663,000	7,544,000	7,542,000

**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.*