

Multiple Agency Fiscal Note Summary

Bill Number: 1447 2S HB AMS WM S2991.2	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
Department of Social and Health Services	0	0	11,000	0	0	32,000	0	0	32,000
Total \$	0	0	11,000	0	0	32,000	0	0	32,000

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
Department of Commerce	Fiscal note not available											
Washington State Health Care Authority	Fiscal note not available											
Department of Social and Health Services	1.4	7,597,000	7,597,000	7,608,000	2.6	15,539,000	15,539,000	15,571,000	2.6	15,546,000	15,546,000	15,578,000
Department of Children, Youth, and Families	Fiscal note not available											
Total \$	1.4	7,597,000	7,597,000	7,608,000	2.6	15,539,000	15,539,000	15,571,000	2.6	15,546,000	15,546,000	15,578,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	Fiscal note not available								
Washington State Health Care Authority	Fiscal note not available								
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	Fiscal note not available								
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 4/10/2023
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Individual State Agency Fiscal Note

Bill Number: 1447 2S HB AMS WM S2991.2	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		11,000	11,000	32,000	32,000
Total \$		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	1.2	1.6	1.4	2.6	2.6
Account					
General Fund-State 001-1	1,863,000	5,734,000	7,597,000	15,539,000	15,546,000
General Fund-Federal 001-2	0	11,000	11,000	32,000	32,000
Total \$	1,863,000	5,745,000	7,608,000	15,571,000	15,578,000

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: 04/06/2023
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 04/07/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 04/07/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/10/2023

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.

This amendment to 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 \$8,000. This section becomes effective February 1, 2024.

The asset limit increase in this section is reduced from \$18,000 in the prior amendment 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 preserved as restored in the prior amendment of this 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 139 TANF cases and 56 ABD cases in the 2023-2025 Biennium (BI 23-25), and 291 TANF

cases and 124 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: \$540,000 and 0.4 FTE
 - \$34,000 and 0.2 FTE TIA implementation costs
 - \$65,000 Information Technology (IT) contractor implementation costs
 - \$41,000 and 0.2 FTE administrative and social services costs
 - \$400,000 client service costs
- FY 2025: \$2,719,000 and 0.9 FTE
 - \$113,000 and 0.9 FTE administrative and social services costs
 - \$2,606,000 client service costs
- FY 2026: \$3,833,000 and 1.1 FTE
 - \$134,000 and 1.1 FTE administrative and social services costs
 - \$3,699,000 client service costs
- FY 2027 and beyond: \$3,879,000 and 1.1 FTE
 - \$134,000 and 1.1 FTE administrative and social services costs
 - \$3,745,000 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, 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	1,863,000	5,734,000	7,597,000	15,539,000	15,546,000
001-2	General Fund	Federal	0	11,000	11,000	32,000	32,000
Total \$			1,863,000	5,745,000	7,608,000	15,571,000	15,578,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.2	1.6	1.4	2.6	2.6
A-Salaries and Wages	125,000	106,000	231,000	342,000	342,000
B-Employee Benefits	59,000	59,000	118,000	172,000	172,000
C-Professional Service Contracts	65,000		65,000		
E-Goods and Other Services	536,000	190,000	726,000	922,000	922,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	1,073,000	5,383,000	6,456,000	14,113,000	14,120,000
P-Debt Service				2,000	2,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	4,000	5,000	9,000	16,000	16,000
9-TZ-ISSD	1,000	2,000	3,000	4,000	4,000
Total \$	1,863,000	5,745,000	7,608,000	15,571,000	15,578,000

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	0.3		0.2		
IT SYSTEMS ADMIN - SENIOR/SPECIALIST	113,059	0.5		0.3		
PUBLIC BENEFITS SPECIALIST 3	63,214	0.1	0.5	0.3	0.9	0.9
SOCIAL SERVICE SPECIALIST 3	78,900	0.1	0.2	0.2	0.3	0.3
WORKFIRST PROGRAM SPECIALIST	64,787	0.1	0.9	0.5	1.4	1.4
Total FTEs		1.2	1.6	1.4	2.6	2.6

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.