

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5322-02
Bill No.: Truly Agreed To and Finally Passed SS for HB 2290
Subject: Public Assistance;
Type: Original
Date: May 28, 2010

Bill Summary: This legislation changes the laws regarding public assistance benefits.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Sections 208.010 & 208.046:

Officials from the **Department of Social Services, Department of Health and Senior Services** and the **Department of Insurance, Financial Institutions & Professional Registration** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Section 208.046:

Officials from the **Department of Social Services (DSS)** states DSS provides child care assistance to low income families and those families who are transitioning to economic self-sufficiency. The program is funded through the federal Child Care and Development Fund and state General Revenue. The program is based on need for care, which includes employment, education, job training, and other work participation activities. Federal guidelines allow states to establish eligibility guidelines up to 85% of the state median income level. Missouri's income eligibility is at approximately 42% of the state median income level which equates to 127% of the Federal Poverty Level (FPL) for a family of four.

ASSUMPTION (continued)

Income guidelines were raised to 127% of the FPL for a family of four in FY2008. In FY2009, funding was granted to maintain full benefits at 127% and fund a transitional benefit for recipients up to 139% of the FPL. Effective December 1, 2009, income guidelines were adjusted to maintain full benefits at 127% of the FPL and fund transitional benefit up to 139% of the FPL. This legislation would allow individuals whose income surpasses the eligibility level for full benefits to continue to receive the subsidy benefit based on a scale established by the Children's Division. This could allow for an increase or decrease in the number of eligible transitional families, depending on the annual appropriation.

This legislation affects only those families whose eligibility is based on need and income. Children's Division children who are in Alternative Care and Adoption Subsidy programs will not be affected by this legislation.

This legislation already reflects current practices of the Children's Division; therefore, there is no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration
Department of Health and Senior Services
Department of Social Services
Office of the Secretary of State



Mickey Wilson, CPA
Director
May 28, 2010