

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 28, 2003**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB71** by Zaffirini (Relating to the computation of time limits for receipt of financial assistance for certain recipients.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB71, As Introduced: a negative impact of (\$512,886) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$255,346)
2005	(\$257,540)
2006	(\$271,486)
2007	(\$248,485)
2008	(\$228,067)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND 1</i>	Probable Savings/(Cost) from <i>GR MATCH FOR MEDICAID 758</i>	Probable Savings/(Cost) from <i>FEDERAL FUNDS 555</i>
2004	(\$242,841)	(\$12,505)	(\$38,434)
2005	(\$257,540)	\$0	\$0
2006	(\$271,486)	\$0	\$0
2007	(\$248,485)	\$0	\$0
2008	(\$228,067)	\$0	\$0

Given the limited availability of TANF federal funds, for the purposes of this fiscal note, General Revenue is assumed as the Method of Financing. Should additional TANF federal funding be available, \$194,791 in fiscal year 2004 and \$230,234 in fiscal year 2005 in General Revenue costs assumed above could be financed with TANF federal funding.

**Fiscal Analysis**

The bill would amend Section 31.0065, Human Resources Code, by adding Subsection (g) requiring the Department of Human Services to exclude the period during which an employed recipient receives the earned income disregard when computing time limits for financial assistance.

## **Methodology**

The Department of Human Services (DHS) estimated that there would be 336 more adults receiving Temporary Assistance for Needy Families (TANF) per month. DHS determined the percentage of TANF cases with Earned Income Disregard who exhausted their 12/24/36 time limit and applied it to the projected number of adults estimated to exhaust their 12/24/36 time limit. An additional four months of TANF is assumed for the adult by DHS. A retention factor was also applied to these adults to simulate the number who would receive the additional four months of TANF. (DHS Note: under the 12/24/36 time limit only the adult is removed from the case when their time limit is exhausted).

## **Technology**

The Department of Human Services estimate included technology support costs of \$87,160 in All Funds in fiscal year 2004 for computer programming changes to legacy automated information systems and the Texas Integrated Eligibility Redesign System or TIERS.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 324 Department of Human Services, 501 Department of Health, 529 Health and Human Services Commission

**LBB Staff:** JK, EB, KF, ML