

FISCAL NOTE
SENATE BILL NO. 2087
LC# 23.8061.01000
01/06/2023
Revised - 01/05/2023

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$137,490		\$261,191
Appropriations				\$137,490		\$261,191

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

Removes NDCC 50-09-29(1)(v) which prevents increased TANF when a child is born to a family who received TANF during conception; & revises 50-09-29(1)(w) to allow 12 more months of earnings to be disregarded from benefit calculation as an employment incentive after not receiving TANF for 1 year.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

The fiscal note for Senate Bill 2087 assumes that, if the “benefit cap” provision outlined in subdivision v of section 1 of N.D.C.C. 50-09-29 is removed, there will be an increase in the number of children who will be eligible to participate in the TANF (Temporary Assistance to Needy Families) program Based on data from the last five years, the fiscal notes estimate an increase of 42 children per year who would participate in the TANF program.

The fiscal note also assumes that more households would be eligible to participate in the TANF program if the proposed 12 month earned income disregard was put in place. The estimate provides for a 10% increase in the total TANF program caseload for each year of the biennium.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

The proposals outlined in SB 2087 would require \$137,490 in addition funding for direct assistance to eligible families.

The proposal to remove 50-09-29 (1)(v) would require an additional \$58,440 per biennium in funding for direct assistance to eligible families (the families of 42 children would receive a benefit of approximately \$98 per month). The proposal to revise section in 50-09-29 (1)(w) would require an estimated \$79,050 per biennium in additional funding for direct assistance to eligible families. This is based on an increase of approximately 100 cases each year of the biennium assuming an average benefit amount of \$300 per month per case.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

All expenditures will only impact the grant line; no additional operating expenses or FTE are required to implement and manage the proposed change

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

The 2021-2023 budget approved by the 67th Legislative Assembly appropriated \$7,615,200 for TANF direct assistance to families.

The 2023-25 Executive Budget Recommendation is based on a Cost to Continue of \$7,332,373 (note: the 2023-25 cost to continue was lower than the 2021-23 approved budget because of an assumed continued reduction in TANF caseload).

The 2023-2025 budget for TANF direct assistance to families would need to be approved at a level of \$7,469,863 to fund the change outlined in SB 2087, an increase of \$137,490.

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