

**FISCAL NOTE**  
**SENATE BILL NO. 2291**  
**LC# 23.0181.01000**  
**01/18/2023**

## 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			\$13,703,271		\$28,942,146	
Appropriations			\$13,703,271		\$28,942,146	

## 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).*

SB 2291 sets TANF benefit level "to at least fifty percent of the federal poverty level based on household size and rules adopted by the department". This is an adjustment to NDAC 75-02-01.2-35 which does not define a TANF income threshold or dollar amount as that is established by the department.

## 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 SB 2291 assumes an increase in the number of households who would participate in the TANF (Temporary Assistance for Needy Families) program; the estimate is based on an assumed increase of 3% per month over the course of the biennium. The estimate also assumes the increased benefit level outlined in SB 2291 for eligible households.

## 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 proposal outlined in SB 2291 would require \$13,703,271 in additional funding for direct assistance to eligible families. This would result in a total appropriation for TANF direct assistance to families of \$21,035,645 (\$7,332,373 for current anticipated cost to continue at current benefit level + \$13,703,271 for the increased assumed participation at the increased benefit level = \$21,035,645).

TANF federal funds are awarded annually and are utilized for both TANF and Children and Family Services in North Dakota. To keep from reducing services an equal amount of general fund must be included in the request to replace the current utilization of the TANF federal funds by Children and Family Services. As such the department would need \$13,703,271 in general fund to implement this change.

## 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 2021-23 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 and includes an increase of \$7,496,368 which represents a shift in TANF funds from the Children and Family Services budget back to the TANF program; the Children and Family Services budget recommendation includes an offsetting increase in general funds requested. The 2023-25 Executive Budget Recommendation described above includes TANF funding of \$14,828,741 for direct assistance to eligible families.

The 2023-25 budget for TANF direct assistance to families would need to be approved at a level of \$21,035,645 to fund the change outlined in SB 2291, which represents an increase of \$13,703,271.

## Contact Information

**Name:** Eric Haas

**Agency:** Health and Human Services

**Telephone:** 7013281281

**Date Prepared:** 01/17/2023