

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3541**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Directs Department of Revenue, in collaboration with Department of Human Services, to establish pilot program for disbursement of installment payments to personal income taxpayers of amounts equal to personal income tax dependent care credits.

**Government Unit(s) Affected:**

Department of Human Services (DHS), Oregon Health Authority (OHA), Department of Revenue (DOR)

**Summary of Expenditure Impact:**

See Analysis below

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The bill establishes a pilot program between the Department of Revenue (DOR) and the Department of Human Services (DHS) to disburse dependent care tax credits monthly as opposed to the current annual credit. Such a change would also significantly impact the Oregon Health Authority (OHA). Both DHS and OHA believe that there would be a fiscal impact due to the program, but the costs are indeterminate at this time. The agencies cannot provide a more detailed analysis or a cost estimate without further discussion and research. OHA also raises concerns about potential risks to existing programs and projects, including the effect on the work currently being done on non-MAGI Medicaid. DOR believes their costs would be minimal and absorbable within current resources.