

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4079

79th Oregon Legislative Assembly – 2018 Regular Session
Legislative Fiscal Office

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

Prepared by: Kim To
Reviewed by: Laurie Byerly, Linda Ames
Date: 2/8/2018

Measure Description:

Requires Department of Human Services to disregard as resources moneys held in specified pension and retirement accounts in determining eligibility for temporary assistance for needy families.

Government Unit(s) Affected:

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

Summary of Expenditure Impact - DHS:

Costs related to the measure may require budgetary action - See analysis.

	2017-19 Biennium	2019-21 Biennium
General Fund		
Personal Services	352	
Services & Supplies	10,800	
Total General Fund	11,152	
Federal Funds		
Personal Services	3,165	
Services & Supplies	97,200	
Total Federal Funds	100,365	
TOTAL FUNDS	\$111,517	\$0

Analysis:

HB 4079 directs the Department of Human Services (DHS) to disregard retirement and pension accounts when determining eligibility for Temporary Assistance for Needy Families (TANF). The bill takes effect January 1, 2019.

If this bill passes, additional families could potentially be eligible for TANF. DHS anticipates this change to be minimal to its current caseload because at present, the agency denies very few families for being over TANF resource limit due to pension and retirement accounts. However, this change in eligibility may have significant impact in the event of future widespread economic crises, like the 2008 stock market crash, which may cause much higher numbers of applicants with established pension and retirement accounts who have lost work to apply for TANF.

Although the caseload impact of this bill is indeterminate, the information technology costs can be quantified. To comply with this bill, DHS would need to make modifications to the Integrated Eligibility (IE) and Medicaid Eligibility (ME) system to change eligibility rules in the system to disregard these types of income for TANF. DHS estimates this cost to be \$111,517 Total Funds for the 2017-19 biennium.

Housed in the Oregon Health Authority (OHA), the Office of Information Services (OIS) is a shared service between DHS and OHA. These system modification costs would be charged by OIS to the DHS Self-Sufficiency Program (SSP) and supported by revenue at fund splits determined by SSP. If this bill passes, OIS will require Other Fund limitation to expend funds to accomplish the work required to modify the IE system.