

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: HB 4081

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

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

Measure Description:

Requires Department of Human Services to use savings in temporary assistance for needy families program to increase amount of cash grants.

Government Unit(s) Affected:

Department of Human Services (DHS)

Summary of Expenditure Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

HB 4081 directs the Department of Human Services (DHS) to use any savings, including those resulting from the policy changes made by the department or from an improvement in the economy, to increase the amount of cash grants provided to families in participating in the Temporary Assistance for Needy Families (TANF) program.

While the bill’s “use the savings” mechanism may be intended to be budget neutral, the fiscal impact on specific TANF program elements is indeterminate because it is unknown whether any savings will be realized from the conditions outlined by the bill. The bill does not provide a methodology or baseline for measuring savings, nor does it specify a timeframe or process for applying savings. The bill also does not address actions, such as rescinding grant increases or making other program cuts, for the agency to take if caseload growth or economic factors drive costs up after program savings had been identified and used to increase grants.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of its potential budgetary impact.