

FISCAL NOTE

Requested by Legislative Council
02/09/2009

Amendment to: HB 1498

1A. 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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$6,236,191		\$7,638,235	
Appropriations			\$6,236,191		\$7,638,235	

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$6,236,191			\$7,265,138		

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill increases each County Social Service Board's reimbursement to at least 60% of each county's actual child welfare administrative costs for programs outlined in section 50-06-01.4, & contains a hold harmless provision for 09-11, so no county receives less than they received in SFY 09.

B. Fiscal impact sections: *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.*

This bill requires the Department of Human Services to change the allocation method of indirect costs and provides at least 60% reimbursement to the County Social Service Boards for their actual direct & indirect Child Welfare Administration costs. An additional 52.45 FTE's were added to the Child Welfare administrative costs based upon a survey of each county's current needs for the programs outlined in section 50-06-01.4.

Due to the change in allocating indirect costs, the bill also includes a hold harmless provision, so that for each year of the biennium no county receives less reimbursement than they received for SFY09. The bill negatively impacts 16 counties and therefore \$563,347 will be needed to fund the hold harmless provision for 2009-2011.

It is estimated 12 counties will be negatively impacted in 2011-2013 or will receive less reimbursement than they received in SFY09 by approximately \$373,097.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Executive budget for the Department of Human Services would need Grant authority in the amount of \$6,236,191 in the 2009-2011 biennium in order to reimburse County Social Service boards at least 60% for their child welfare administrative expenditures and to provide the hold harmless provision based upon SFY 2009 reimbursement.

C. Appropriations: *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 is also included in the executive budget or relates to a continuing appropriation.

It is estimated this bill would cost \$6,236,191, all of which are general funds, and are not included in the Department's 2009-2011 Executive Budget.

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