

STATEMENT OF PURPOSE

RS26363

This is the FY 2019 original appropriation and the FY 2018 supplemental appropriation bill for the Department of Health and Welfare for the Welfare Division. For FY 2019, the bill appropriates \$175,037,800, limits the number authorized full-time equivalent positions to 619.50, and provides for four sections of legislative intent language. For FY 2018, the bill reduces the number of authorized full-time equivalent positions by 9.00.

For FY 2019, the bill includes the following adjustments. For benefit costs, the bill removes \$1,450 per eligible FTP to bring the annual employer contribution for health insurance down to \$11,650 by including a two-month employee and employer premium holiday, adds a 6.8% increase for life insurance, and adjusts funding for workers' compensation in amounts that vary by agency. For statewide cost allocation, \$24,000 is reduced for risk management costs. For nondiscretionary adjustments the bill provides \$636,300 for caseload growth in the Aid to the Aged, Blind, and Disabled Program. The bill also provides funding for a 3% ongoing merit-based salary increase for permanent employees, to be distributed at the discretion of the director, and a 3% increase in the compensation schedule. The bill funds three line items. The first line item adds \$8,000,000 for the third and final year of the Child Support Enforcement System replacement. The second line item adds \$2,000,000 for the Employment and Training Services Program. The third line item transfers \$598,600 from personnel costs to operating expenditures.

Intent language in the bill includes three sections that are applied to all appropriation bills for the Department of Health and Welfare. These sections provide for the transfer of General Funds to the Cooperative Welfare Fund, limit transfers between spending classes, and provide for program integrity. The fourth section requires the department to submit two reports on the actual and forecasted caseloads for various welfare programs.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2018 Original Appropriation	630.55	43,270,700	7,630,900	121,418,500	172,320,100
5. FTP Transfer for Child Welfare	(9.00)	0	0	0	0
FY 2018 Total Appropriation	621.55	43,270,700	7,630,900	121,418,500	172,320,100
Noncognizable Funds and Transfers	(1.05)	0	(120,000)	0	(120,000)
FY 2018 Estimated Expenditures	620.50	43,270,700	7,510,900	121,418,500	172,200,100
Removal of Onetime Expenditures	0.00	(446,300)	(2,273,700)	(5,280,000)	(8,000,000)
Base Adjustments	(1.00)	(45,600)	120,000	0	74,400
FY 2019 Base	619.50	42,778,800	5,357,200	116,138,500	164,274,500
Benefit Costs	0.00	(297,900)	(17,800)	(506,100)	(821,800)
Statewide Cost Allocation	0.00	(8,400)	0	(15,600)	(24,000)
Change in Employee Compensation	0.00	336,600	30,200	606,000	972,800
Nondiscretionary Adjustments	0.00	636,300	0	0	636,300
FY 2019 Program Maintenance	619.50	43,445,400	5,369,600	116,222,800	165,037,800
4. Child Support System Replacement	0.00	0	2,720,000	5,280,000	8,000,000

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).

5. SNAP Employment and Training	0.00	0	0	2,000,000	2,000,000
30. Ongoing Object Transfer PC to OE	0.00	0	0	0	0
FY 2019 Total	619.50	43,445,400	8,089,600	123,502,800	175,037,800
Chg from FY 2018 Orig Approp	(11.05)	174,700	458,700	2,084,300	2,717,700
% Chg from FY 2018 Orig Approp.	(1.8%)	0.4%	6.0%	1.7%	1.6%

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