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PREPARED BY: Liz Hruska
DATE PREPARED: February 13, 2012
PHONE: 471-0053

LB 1136

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS			1,000,000	
OTHER FUNDS				
TOTAL FUNDS			1,000,000	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill establishes a wage subsidy program for recipients of the Aid to Dependent Children Program. The wage subsidy would be capped at the prevailing wage, be provided for no more than 40 a week for not more than six months. Wage subsidies would be phased down over six months starting at 100% down to 25%. The wage subsidy program would terminate on July 1, 2014. The bill states the intent to appropriate \$1 million from federal Temporary Assistance to Needy Families funding.

A total of \$1 million in federal funds would cover administrative and wage subsidy costs for one year. The funds would be from the carryover balance, as the current block grant funding fully allocated.

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LB⁽¹⁾ 1136 - Revised FISCAL NOTE

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION **LEGISLATIVE FISCAL**

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 2-9-12

Phone: (5) 471-8072

FY 2012-2013

FY 2013-2014

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The bill appropriates \$1,000,000 of Nebraska's TANF grant per year to create and operate the subsidy program. The program is to end July 1, 2014. Because the wage subsidy program has not yet been created, the Department is unable to determine the total cost to develop, implement and maintain the program. The remaining funds would be used to pay the wage subsidies. It would be necessary to contract for program development, case management, and preparation of the required reports. Because we are limited to the \$1,000,000 per year, it is likely that fewer than 200 clients would be allowed to participate in the program each year. This bill would require the Department to use unexpended TANF block grant money from previous years, as we currently expend all of the current year's block grant on allowable TANF expenditures.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			See Above	See Above