

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2010-11</b>		<b>FY 2011-12</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	67,363		67,363	
CASH FUNDS				
FEDERAL FUNDS	(106,540)		(106,540)	
OTHER FUNDS				
TOTAL FUNDS	(39,177)		(39,177)	

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

This bill requires the Department of Health and Human Services to develop a program to screen applicants applying for or recipients receiving Aid to Dependent Children (ADC) assistance for use of a controlled substance not prescribed to him or her, if there is reasonable cause to believe such applicant or recipient is using such a controlled substance. If after an administrative hearing it is determined a positive result is accurate, the person would be ineligible for Aid to Dependent Children assistance for a period of one year. The department may refer the applicant or recipient to the Division of Behavioral Health for referral to a treatment program.

As of December 2009, there were 6,207 adults receiving ADC. Assuming 15% are tested, the cost would \$51,205 annually. Assuming one-third of the cases test positive, a second test would cost \$17,050. Testing costs would come from state general funds, as this is not an allowable cost under the federal Temporary Assistance to Needy Families Act (TANF). The cost reduction per ADC case would be \$71 a month. The savings would be \$264,120 annually. ADC payments are paid 70% from federal TANF funds and 30% state funds. The general fund savings would be \$79,236 and federal fund savings would be \$184,884 annually.

The department would need a program specialist and an attorney. The personnel costs would be \$156,688 (\$78,344 GF and FF) each year.

No additional funding has been included for substance abuse treatment. The bill authorizes the department to make a referral for treatment only.