

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1837 - HB 1925**

March 4, 2014

**SUMMARY OF BILL:** Requires the Department of Human Services (DHS) to evaluate appropriate cases within the temporary assistance for needy families (TANF) program to determine if a welfare avoidance grant would be effective in meeting a family's immediate and compelling need to avoid going on temporary assistance or to assist the family in leaving the assistance program. The welfare avoidance grant: must meet the immediate need of the applicant; may be granted as DHS deems appropriate; may not cover the same type of immediate need met by a previous welfare avoidance grant unless the department determines that the need is a new and verified emergency; is limited to three months of temporary cash assistance, but can be extended to 12 months at the department's discretion; and may not duplicate periods of temporary cash assistance. Does not apply to instances of a single child being eligible for TANF assistance.

**ESTIMATED FISCAL IMPACT:**

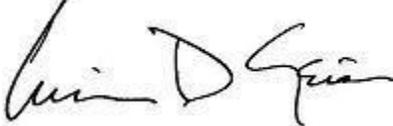
**Increase State Expenditures - \$50,200/One-Time**

Assumptions:

- According to DHS, there will be necessary programming and systems changes to the ACCENT program to include the issuance of the welfare avoidance grants in certain cases and to prohibit an applicant from receiving the grant and other TANF benefits at the same time.
- The department estimates the following programming hours will be necessary: develop system requirements (160 hours); changes to online functionality (150 hours); changes to batch processing (150 hours); coding, database design work, subroutines, testing (90 hours); new notices (60 hours); and user acceptance test (200 hours).
- The contracted rate for the ACCENT program is \$62 per hour resulting in an increase in state expenditures of \$50,220 [ $\$62 \times (160 + 150 + 150 + 90 + 60 + 200)$ ].
- The grant funds that are provided to eligible applicants will come from the TANF block grant. The increase in welfare avoidance grants will result in a corresponding decrease in other TANF assistance benefits provided to applicants. The net impact to the federal TANF block grant funds is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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