

March 3, 2008

The Honorable Bob Bethell, Chairperson
House Committee on Social Services Budget
Statehouse, Room 161-W
Topeka, Kansas 66612

Dear Representative Bethell:

SUBJECT: Fiscal Note for HB 2920 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2920 is respectfully submitted to your committee.

HB 2920 would require the Department of Social and Rehabilitation Services (SRS) to expend 1.0 percent of the federal Temporary Assistance to Needy Families Block Grant to support healthy marriages and strengthen families through services that prevent the unnecessary separation of children from their families and that promote permanent living arrangements for children. The bill would require SRS to contract with a state university to develop a grant program for programs that provide marriage services and services designed to strengthen families. The maximum grant per program would be \$50,000. The maximum amount for the contract with the state university would be 10.0 percent of the 1.0 percent of the TANF Block Grant.

Estimated State Fiscal Effect				
	FY 2008 SGF	FY 2008 All Funds	FY 2009 SGF	FY 2009 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$1,019,311
FTE Pos.	--	--	--	1.00

SRS states that the fixed annual TANF Block Grant is \$101,931,061. HB 2920 would require the expenditure of \$1,019,311 in TANF funds for the new grant program. Of that amount, \$101,931 would be expended in FY 2009 for the contract with a state university. To manage the financial and performance aspects of approximately 19 grants and the initial contract for design of the program, 1.00 additional FTE position would be required. The salary and

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operating costs associated with the additional position would be \$62,961. After those expenditures are made, SRS estimates the amount available for grants would be \$854,419 in FY 2009. In subsequent years, the salary and operating costs for the additional position would increase nominally, but the cost of the contract for program development would only occur in FY 2009. The agency's estimate for the grants is \$956,521 in FY 2010 and \$954,636 in FY 2011.

SRS states that the TANF Block Grant is a fixed funding source. The expenditures required by HB 2920 could result in insufficient funding for existing programs paid with TANF monies. This would require State General Fund appropriations to cover the deficit.

Sincerely,

A handwritten signature in black ink that reads "Duane A. Goossen". The signature is written in a cursive style with a large, looping initial "D".

Duane A. Goossen
Director of the Budget

cc: Jackie Aubert, SRS