

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 556 - 3

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date: 4/26/2023

Measure Description:

Prohibits the Department of Human Services from using any money intended for a child ward for maintenance costs or legal custodian related expenses excluding child support payments and any other payment required by federal or state law, or other legal direction.

Government Unit(s) Affected:

Department of Justice, Department of Human Services, Department of Revenue, State Treasurer

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Department of Human Services		
General Fund		
Special Payments	\$464,369	\$619,159
Federal Funds		
Special Payments	\$117,722	\$156,962
Total Fiscal Impact	\$582,091	\$776,121
<i>Total Positions</i>	0	0
<i>Total FTE</i>	0.00	0.00

Analysis:

Except for child support and other monies specifically required by state or federal law, SB 556-3 prohibits the Department of Human Services (DHS) from using money received on behalf of a child ward to make payments to a foster parent or relative caregiver for the cost of providing the child with food, clothing, housing, daily supervision, personal incidentals, and transportation.

Any funds DHS receives on behalf of a child ward must be deposited into an account established with Treasury. The measure prescribes when DHS or the child (or the child’s representative) may disburse or distribute funds. DHS is granted rulemaking authority. The establishment of new accounts and the disbursement and distribution guidelines are effective January 1, 2024. DHS and Treasury are authorized to take any steps necessary to implement the measure on the operative date. The measure declares an emergency and is effective upon passage.

The fiscal impact to DHS for the 2023-25 biennium is \$582,091 total funds. This amount is required to backfill the redirection of 12% of supplemental security income from maintenance costs to individual accounts (assuming an 18-month period). In 2025-27, this cost is increased to \$776,121 total funds to reflect the full 24 months of the biennium.

The measure has a minimal fiscal impact to the Department of Justice and State Treasurer and no fiscal impact to the Department of Revenue.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the state's General Fund.