

Fiscal Estimate Narratives

DCF 3/12/2012

LRB Number 11-4138/1	Introduction Number SB-511	Estimate Type Original
Description Allocation of national mortgage foreclosure settlement proceeds and making appropriations		

Assumptions Used in Arriving at Fiscal Estimate

This bill increases the Temporary Assistance for Needy Families maintenance of effort GPR appropriation by \$10,000,000 in the second year of the biennium that the bill becomes effective. Funding would come from one-time moneys received as a result of the national mortgage foreclosure settlement. The increased funding would be applied to the Emergency Assistance program for persons who are homeless or facing impending homelessness due to foreclosure or natural disaster.

Based on current law, administrative rules and the rates established by the Department in the Administrative Register, eligible emergency assistance groups can receive a payment once in a 12-month period of up to \$516 for groups of 2 to 4 members, \$645 for a group of five members and \$110 per group member for groups of six or more members. In SFY11, the Department made emergency assistance payments totaling \$6.92 million to eligible individuals. Of this amount, about 97%, or \$6.71 million was paid on behalf of persons who were homeless or facing impending homelessness.

In order to expend the additional funding contained in this bill, the emergency assistance payment rates would have to be increased by approximately 2.5 times in the fiscal year for which they are appropriated.

Long-Range Fiscal Implications