

Fiscal Estimate Narratives

DHS 5/31/2017

LRB Number	17-2749/1	Introduction Number	AB-0239	Estimate Type	Original
Description creating a refundable individual income tax credit to provide assistance to young adults and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a refundable individual income tax credit for young adults who lose their disability status under federal law as a result of an eligibility redetermination at age 18.

The bill requires the Department to work with the Department of Revenue (DOR) to verify the loss of disability status for individuals claiming the credit. This will require the Department to create a report from the Client Assistance for Reemployment and Economic Support (CARES) system. The actual work to create the report will be performed by the contract vendor for the CARES system.

The Department estimates that the one-time cost to generate the report would be \$20,200. Since this work would be for a state function, it would not be eligible for federal matching and would, therefore, be entirely GPR.

The Department would be able to run the report as needed for future years. For this reason, the long-term costs for the Department would be negligible.

The Department is able to absorb the cost of this work within existing resources.

Long-Range Fiscal Implications