

BILL SUMMARY
2nd Session of the 53rd Legislature

Bill No.:	HB2388
Version:	Committee Substitute
Request Number:	9576
Author:	Representative Leibmann, et al
Date:	3/7/2012
Impact:	\$582,203 potential TANF savings

Research Analysis

The CS for HB 2388 requires recipients of the Temporary Assistance for Needy Families (TANF) program to submit to, and pay for, a drug test within three months of being approved for benefits. Persons do not comply with the drug testing requirement will become ineligible for benefits until the requirement is met. An individual who tests positive will be ineligible for the program for one year or may reapply for the program after six months if able to verify the successful completion of a substance abuse program. The measure provides that a positive drug test does not affect a dependent child's eligibility for the program.

Prepared By: Marcia Goff

Fiscal Analysis

According to Department of Human Services personnel, if replacement occurs with the existing substance abuse assessment, testing and treatment programs, then OKDHS would cancel the existing contract. The FY-12 budget contract is \$2,650,000 with ODMHSAS, and includes \$356,090 expended on TANF clients. If services were eliminated for 84 clients (FY-11 # served with treatment), TANF payments and Work Activities would be reduced by \$226,113, based on an average cost per case of \$3,546. The total potential savings to the TANF grant would be \$582,203.

Costs for data system modifications and any legal expenses could offset the savings. Costs would increase for 13,658 families receiving TANF benefits in the amount of \$819,072 for drug testing.

Prepared By: Andrea Kearney

Other Considerations

OKDHS utilizes TANF Block Grant funds to provide substance abuse screening, assessment and treatment services. OKDHS does not utilize state dollars to provide substance abuse treatment services. If OKDHS is required to contract with certain drug testing facilities, the current cost for a drug screening urinalysis test is \$33-\$53 depending on the location, and cost for a hair drug screen is \$79-\$85 depending on the location. OKDHS could incur some additional indirect costs.

