LB 104

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		**FY 2008-09**	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(86,741)		(729,888)	
CASH FUNDS				
FEDERAL FUNDS	125,777		911,553	
OTHER FUNDS				
TOTAL FUNDS	39,036		184,125	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill lowers the age of majority from 19 to 18.

For court orders entered after January 1, 2008, state wards would age out of the system a year earlier. This would reduce the number of state wards who would otherwise have entered the system after their 18th birthday. For state wards that will age out of the system earlier after this bill takes effect, child welfare expenditures would be reduced and Former State Ward expenditures would increase.

In the Medicaid Program, costs would increase. Children up to age 19 are eligible for Medicaid. Currently, parental income is considered in the determination of eligibility. Under this bill, 18 year olds would be emancipated and parental income would not be counted towards the 18 year olds eligibility determination. For some families, when the 18 year old is no longer counted as part of the family unit, the family would lose Medicaid eligibility.

There would be some loss of child and medical support that is applied as an offset to Aid to Dependent Children Program and Medicaid.

The impact by program is shown in the chart below:

	FY 06			FY 07		
	General	Federal	Total	General	Federal	Total
18 Year Olds (state wards)	(144,900)		(144,900)	(538,200)		(538,200)
18 Year Olds (would not become wards)	(54,600)		(54,600)	(1,023,350)		(1,023,350)
Former Ward Program	28,160		28,160	222,464		224,924
Child support offset to ADC/Medicaid	4,599	5,777	10,376	9,198	11,553	20,751
Medicaid	80,000	120,000	200,000	600,000	900,000	1,500,000
Total	(86,741)	125,777	39,036	(729,888)	911,553	184,125