

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$210,915		\$280,135	
CASH FUNDS				
FEDERAL FUNDS	\$210,915		\$280,135	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$421,830</b>		<b>\$560,270</b>	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

This bill increases the gross income limit for the Supplemental Nutrition Assistance Program (SNAP). The gross income limit would be increased to 185% of the Federal Poverty Limit (FPL) but the net income eligibility limit of 100% of FPL remains the same. The implementation date is October 1, 2021.

Eligibility for SNAP must meet a two-pronged gross and net income test. The current gross income eligibility limit for households is 130% FPL. This bill would increase it to 185%, but the current net income eligibility limit is retained. This would allow individuals and households with higher incomes to qualify for SNAP, if they also have higher allowable expenses which are deducted from gross income. Examples of income deductions are shelter costs, child care expenses and child support payments.

Based on the U. S. Census, the potential pool of additional eligible individuals and families meeting the gross income test would increase by 72,422 households. It is estimated that approximately 5% would meet the net income limit after applying deductions for allowable expenses. Approximately 3,945 additional households would be eligible. The aid costs are paid for from federal funds and the administrative match is 50% federal.

Assuming twice as many people apply than those that are deemed eligible and based on an average of two hours to process a case, the workload increase would require nine social service workers and one case aide and one supervisor. The costs would be \$421,830 (\$210,915 GF and FF) for three quarters of FY 2022 and \$560,270 (\$280,135 GF and FF) for a full year FY 2023.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 108	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY: Ann Linneman	DATE: 2-12-2021	PHONE: (402) 471-4180	
COMMENTS: The Nebraska Department of Health and Human Services' analysis and estimate of fiscal impact to the department appears reasonable.			

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 2-11-2021

Phone: (5) 471-6719

	<u>FY 2021-2022</u>		<u>FY 2022-2023</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$878,752		\$1,169,336	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$878,752		\$1,169,336	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$1,757,504		\$2,338,672	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

**Explanation of Estimate:**

LB 108 increases the amount of initial eligibility determination in the Department of Health and Human Services (DHHS) Supplemental Nutrition Assistance Program (SNAP) from 130% to 185% federal poverty level (FPL). However, the net income limit determination will remain at 100% FPL. SNAP is a dual income test program. An individual must first meet the gross income eligibility limit and if the individual's income is below the gross income guidelines then the individual's deductions may be considered in order to reach the net income limit of 100%.

Based on US Census Bureau estimates of Nebraska population by FPL for 2019, it is estimated that there are 172,793 living between 130%-185% FPL. In SFY2020 the total number of individuals who received SNAP was 158,328 and the number of SNAP cases were 72,422, which averages to 2.19 individuals per case. If there are 172,793 potential clients between 130%-185% FPL then there would be 78,901 potential cases. It is assumed that 25% of these cases, or 19,725, would apply for SNAP benefits. It takes 2 hours processing time by Social Service Workers (SSW) to handle these applications, or 39,450 hours annually. It is assumed 80%, or 15,780 applicants would be denied due to the dual income requirements. The remaining 20% of new applications, or 3,945, would be new ongoing eligible SNAP cases. Eligible SNAP cases take 5 hours of annual processing time to recertify and update various information as changes occur. These new eligible SNAP cases would require 19,725 SSW hours annually. Therefore, the administrative hours required for this new population would be 59,175 annual hours.

The Department of Health and Human Services would require 30 additional new Social Service Workers, 3 Social Services Supervisors and 3 Case Aides starting October 1, 2021 in order to carry out the additional duties required in LB108.

SNAP benefits are paid directly by the federal government and administrative costs are a 50/50 split between state and federal funding.

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2021-2022	2022-2023
	21-22	22-23	EXPENDITURES	EXPENDITURES
C72172 Social Services Worker	22.5	30	\$837,860	\$1,117,147
S72110 Case Aide	2.3	3.0	\$58,940	\$78,587
V72174 Social Service Supervisor	2.3	3.0	\$105,632	\$140,843

Benefits.....	\$359,372	\$479,162
Operating.....	\$395,700	\$522,933

