

# NEBRASKA

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DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

December 15, 2023

The Honorable Ben Hansen  
Members of the Health & Human Services Committee  
State Capitol Room 1117  
Lincoln, NE 68509

Ms. Mikayla Findlay  
Legislative Fiscal Analyst  
State Capitol Room 1007  
Lincoln, NE 68509

Subject: TANF-Funded SNAP Policy Report

Dear Chairman Hansen and Ms. Findlay:

Nebraska Revised Statute § 68-1017.02(3)(b)(ii) requires the Department of Health and Human Services (DHHS) to report to the Legislature on or before December 15, 2023, regarding the Supplemental Nutrition Assistance Program (SNAP) gross income eligibility limit increase and whether it maximizes the number of Nebraska residents being served under the program or policy. This report is required to include an identification and determination of additional administrative costs resulting from the increase to the SNAP gross income eligibility limit, a recommendation regarding the gross income eligibility increase, and a determination of the availability of federal funds for the program.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tony Green".

Tony Green, Interim Director  
Division of Children and Family Services

Attachment

# Division of Children and Family Services

## TANF-Funded SNAP Policy Report

**December 2023**

Neb. Rev. Stat. § 68-1017.02(3)(b)(ii)

# Supplemental Nutrition Assistance Program (SNAP) Report

Nebraska Revised Statute § 68-1017.02 states that the Department of Health and Human Services (DHHS) shall apply for and utilize to the maximum extent possible, within limits established by the Legislature, all appropriate options available to the State under the federal Supplemental Nutrition Assistance Program (SNAP) and regulations adopted under such program to maximize the number of Nebraska residents being served under such program within such limits.

This report addresses the SNAP gross income eligibility limit increase from 130% of the Federal Poverty Level (FPL) to 165% of the FPL and whether it maximizes the number of Nebraska residents served under the program. This report also includes an identification of additional administrative costs resulting from the increase in the gross income eligibility limit, the availability of federal funds for the program, and a recommendation regarding the eligibility limit. The increase in the gross FPL was fully implemented as of July 2021.

## Evaluation of SNAP Application Approvals and Participation

From October 1, 2022, through September 30, 2023, DHHS received 84,971 total applications for the SNAP program. Applications where the Gross Income was between 130-165% of the FPL accounted for 12,457 applications. Of those applications, 10,823 were approved for benefits. In June 2021, there were 73,590 active SNAP households when the increase in gross FPL began implementation. As of October 2023, there are now a total of 75,899 households receiving SNAP benefits, an increase of 3% since its inception.

## Administrative Costs

DHHS has estimated the administrative costs associated with the increase in the FPL. The total increase in administrative costs is \$2,235,482 for FY23. In addition to the increased costs associated with the change in eligibility requirements, DHHS has seen an increase in the use of overtime necessary to process applications. DHHS utilized all available Federal ARPA COVID relief funds for administrative expenses related to the increase in SNAP applications. The federal fund obligation ended on September 30, 2023. Once the 100% Federal ARPA COVID funds were liquidated, DHHS began utilizing existing appropriations for administrative expenses.

## Funding Availability

SNAP benefit amounts are 100% federally funded. However, Food Nutrition Services (FNS) and the State share administrative expenses equally. FNS can approve a 50% match for the program's administrative costs, and the State of Nebraska is responsible for paying the other

50%. As previously noted, DHHS is utilizing existing state and federal fund appropriations to pay for the staff costs associated with increased SNAP eligibility.

## **Recommendation**

The above evaluation demonstrates the applications received with income between 130-165% of the FPL due to the implementation of LB108. DHHS recommends that the Legislature consider this information in determining future action related to SNAP eligibility limits. If no further action is taken, the SNAP income eligibility limit will be reduced to 130% of the FPL on October 1, 2025. This would reduce the number of families eligible to receive SNAP benefits; subsequently, the Department would anticipate a reduction in total approvals and overall program participation.