

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	189,242		421,132	
CASH FUNDS				
FEDERAL FUNDS	189,242		421,132	
OTHER FUNDS				
TOTAL FUNDS	378,484		842,263	

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) in two steps. In FY 2017-18, the gross income limit is increased to 158% of the Federal Poverty Limit (FPL) and in FY 2018-19 and beyond to 185% of FPL. (FPL) but leaves the net income eligibility limit the same.

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 158% and 185% respectively, 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 individuals and families would increase by 36,800 households in FY 2017-18. It is estimated that approximately 5% would meet the net income limit after applying deductions for allowable expenses. Approximately 1,840 additional households would be eligible. The aid costs are paid for from federal funds.

In FY 2018-19 and beyond, the number of households who would qualify at the 185% gross income level is 54,100. Similarly, it is assumed that 5% or 4,545 households would also meet the net income test.

The workload increase would require five social service workers, one supervisor and one case aide in FY 2017-18. The costs would be \$378,484 (\$189,242 GF and FF). To handle the additional workload in FY 2018-19, the number of social workers increases to 12 and an additional case aide is added. The cost would be \$842,263 (\$421,132 GF and FF).

The workload study referenced in the Department of Health and Human Services fiscal note is from 1992 which is before the automated NFOCUS eligibility system was implemented, the ACCESS call centers were operating, the option for on-line application was available and the resource limit was increased to \$25,000. The work process has been substantially streamlined since 1992 and is not applicable to the current process.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 358	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)	
REVIEWED BY: Elton Larson		DATE: 2/14/2017	PHONE: 402) 471-4173
COMMENTS: DHHS analysis and estimate of fiscal impact appear 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) Pat Weber

Date Prepared:(4) 1-17-17

Phone: (5) 471-6351

	FY 2017-2018		FY 2018-2019	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$318,489		\$1,040,215	
CASH FUNDS				
FEDERAL FUNDS	318,489		1,040,215	
OTHER FUNDS				
TOTAL FUNDS	\$636,978		\$2,080,430	

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

Explanation of Estimate:

Based on US Census figures, increasing the federal poverty level (FPL) from 130% to 158% for SFY2018 would increase the potential client base by approximately 82,400 persons, or 36,800 households. Due to the amount of eligible expenses necessary to pass the net income test, it is estimated that approximately 5%, or 1,840, of these households would be eligible for SNAP benefits. The addition of 1,840 SNAP cases would require 10 additional Social Service Workers, 2 case aids, and 1 Social Service Supervisor, based on workload study caseload recommendations. The total cost for the above additional personnel is \$636,978 (\$318,489 GF, \$318,489 FF) for 9 months in SFY2018.

Increasing the FPL from 158% to 185% beginning in SFY2019 would increase the potential client base by an additional 121,200 persons, or 54,100 households, for a cumulative total of 203,600 persons, or 90,900 households. Due to the amount of eligible expenses necessary to pass the net income test, it is estimated that approximately 5%, or a cumulative total of 4,545 households would be eligible for SNAP benefits. The addition of 4,545 SNAP cases in SFY2019 would require 25 additional Social Service Workers, 5 case aids, and 2 Social Service Supervisors, based on workload study caseload recommendations. The total cost for the above additional personnel is \$2,080,430 (\$1,040,215 GF, \$1,040,215 FF) in SFY2019.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2017-2018	2018-2019
		17-18	18-19	EXPENDITURES	EXPENDITURES
Social Services Worker		7.5	25	\$272,438	\$908,128
Social Services Supervisor		.75	2	34,861	92,964
Case Aid		1.5	5	38,329	127,764
Benefits.....				132,583	433,028
Operating.....				158,767	518,546
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$636,978	\$2,080,430