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FISCAL IMPACT REPORT

ORIGINAL DATE 2/07/18

SPONSOR Woods LAST UPDATED _____ HB _____

SHORT TITLE SNAP Program Work Requirements SB 242

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Contract Program Administration	\$0.0	\$2,400.0	\$2,400.0	\$4,800.0	Recurring	SGF 50% Federal SNAP Funds 50%
ASPEN Changes	\$0.0	\$250.0	\$0.0	\$250.0	Nonrecurring	SGF 50% Federal SNAP Funds 50%
HSD staff	\$0.0	\$50.0	\$50.0	\$100.0	Recurring	SGF 50% Federal SNAP Funds 50%
Total	\$0.0	\$2,700.0	\$2,450.0	\$5,150.0		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 242 proposes to revoke any waiver of federal work participation requirements under the Supplemental Nutrition Assistance Program (SNAP) and establish work participation requirements for recipients of SNAP to the full extent allowable by federal law.

FISCAL IMPLICATIONS

The bill does not include an appropriation.

The Human Services Department (HSD) indicates the department would require an estimated \$250 thousand in funding for programming costs for the ASPEN eligibility system to determine recipients required to meet the work participation, track compliance and conduct reporting.

HSD reports implementation of the proposals in the bill would also require field staff to manage the program for an approximate annual cost of \$50 thousand.

HSD notes it would need to hire a contractor to administer the program and monitor recipients at an estimated cost of \$2.4 million. This estimate includes individualized case management and oversight to ensure all participants are in compliance with SNAP employment and training (E&T) and able-bodied adults without dependents (ABAWD) federal requirements.

SIGNIFICANT ISSUES

The Human Services Department (HSD) reports the Code of Federal Regulations (CFR) 7 CFR 273.24 allows HSD to request from the federal Food and Nutrition Services (FNS) to waive work requirements for a group of individuals if the area in which the individuals reside:

- (i) Has an unemployment rate of over 10 percent; or
- (ii) Does not have a sufficient number of jobs to provide employment for the individuals.

Further, 7 CFR 273.7(e) states that work registrants not otherwise exempted are subject to the Employment and Training (E&T) Program participation requirements imposed by the state agency. CFR.7(e)(4) allows the state the option to operate the E&T program components in which individuals elect to participate making the E&T a voluntary program. Currently, participants cannot be disqualified for failure to comply with the E&T requirements.

ADMINISTRATIVE IMPLICATIONS

Implementation of SB 242 would require training to be developed and delivered to both the contractor and field staff.

Under the provisions of the bill, HSD would need to promulgate rules to establish SNAP work participation requirements and how these requirements would be met.

RAE/sb