

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 128** HLS 18RS 431  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 27, 2018 4:59 PM	<b>Author:</b> MORRIS
<b>Dept./Agy.:</b> DCFS	<b>Analyst:</b> Tanesha Morgan
<b>Subject:</b> SNAP work requirements	

SNAP OR +\$2,520,812 GF EX See Note Page 1 of 1  
 Requires legislative authorization for any waiver of SNAP work requirements for able-bodied adults without dependents

Proposed law requires that the Department of Children and Family Services (DCFS) receive approval by the both the House and Senate Health & Welfare committees before submitting a waiver of federal regulations regarding work requirement for able-bodied adults without dependents in the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps). Under the proposed law, approval by a legislative committee of a waiver application may be by favorable voice vote of a simple majority of the committee's membership at a meeting of the committee, or by mail ballot. Proposed law requires that within 30 days of the effective date of proposed law, the secretary of DCFS shall take all such actions as are necessary to revoke, terminate, or otherwise render null and without effect any waiver of work requirements for able-bodied adults without dependents receiving SNAP benefits in effect on the effective date of proposed law. Proposed law requires DCFS to assign individuals to participate in employment and training programs.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$2,520,812	\$2,390,626	\$2,390,626	\$2,390,626	\$2,390,626	<b>\$12,083,316</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$2,520,812	\$2,390,626	\$2,390,626	\$2,390,626	\$2,390,626	<b>\$12,083,316</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$5,041,624</b>	<b>\$4,781,252</b>	<b>\$4,781,252</b>	<b>\$4,781,252</b>	<b>\$4,781,252</b>	<b>\$24,166,632</b>

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

This measure is projected to increase expenses to the Department of Children and Family Services (DCFS) by \$5,041,624 in FY 19 and \$4,781,252 in subsequent years. This measure requires DCFS to assign SNAP Mandatory Work Registrant (MWR) recipients to participate in employment and training programs provided for in (7)U.S.C. 2015(d)(4). This would result in an ongoing cost of \$4,781,252 per year. DCFS's employment and training program for SNAP recipients is the Louisiana Job Employment & Training Program (LaJET). LaJet is currently available in 4 parishes (Caddo, Orleans, Ouachita, and Rapides). DCFS contracts with the Louisiana Workforce Commission (LWC) to operate this program. In FY 18, the LaJET contract between DCFS and LWC is \$1,323,692 and serves 26,217 MWRs, which is an average cost of \$50.49 per MWR. If LaJET is expanded to the remaining 60 parishes, an additional 94,697 MWRs would be placed in the program, for an anticipated cost of \$4,781,252 (\$50.49 average cost per MWR x 94,697 MWRs). The expansion of LaJET requires a 50% state match (\$2,390,626).

In addition, the proposed legislation removes all existing work requirement waivers for able-bodied adults without dependents (ABAWDs) within 30 days of this measure becoming effective. If the ABAWD waiver expires, the department would have to mail notification letters to approximately 60,081 SNAP ABAWD recipients at a cost of \$25,234 (60,081 x 42 cents pre-sorted rate) indicating the minimum work requirements of the program. Also, DCFS would have to change the programming of the eligibility software to require redeterminations at 3-month time intervals instead of current programming of verifications at 6-month time intervals. One-time programming changes are estimated to cost \$235,138. All SNAP administrative costs are funded with 50% SGF and 50% federal matching funds. Under this scenario, the potential state impact would be \$130,186 (\$25,234 + \$235,138 = \$260,372 x 50% state match).

Note: The proposed legislation requires DCFS to have legislative approval before submitting an application to request a waiver of federal work requirements for non-working ABAWDs receiving Supplemental Nutrition Assistance Program (SNAP) benefits.

**REVENUE EXPLANATION**

SNAP benefits are 100% federally funded. To the extent that the number of SNAP recipients decrease due to individuals not complying with the work requirement or by increasing their income to a level in which they no longer qualify for SNAP, federal funds to used to pay SNAP benefits would be reduced.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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