

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 681** HLS 17RS 1432
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.: HB 177

Date: June 4, 2017 1:37 PM	Author: MORENO
Dept./Agy.: Children & Family Services	
Subject: Removes Restrictions on Drug Felons Receiving SNAP	Analyst: Patrice Thomas

PUBLIC ASSISTANCE RE1 +\$25,000 GF EX See Note Page 1 of 1
 Eliminates restrictions on eligibility for certain public assistance for persons with prior drug convictions

Proposed law removes the one-year ban on individuals convicted of a drug-related felony (possession, use, or distribution) from receiving Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) benefits. Proposed law becomes effective on October 1, 2017.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$25,000	\$0	\$0	\$0	\$0	\$25,000
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$25,000	\$0	\$0	\$0	\$0	\$25,000
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$50,000	\$0	\$0	\$0	\$0	\$50,000

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This legislation is anticipated to result in a one-time expenditure increase of \$50,000 (\$25,000 SGF and \$25,000 Federal) in FY 18 as the result of removing an existing one-year ban on individuals convicted of a drug-related felony from receiving Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) benefits. The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 imposed a lifetime ban on individuals convicted of a drug-related felony (possession, use, or distribution) from receiving TANF and SNAP benefits. The lifetime ban is imposed only on individuals with drug felonies but not on individuals with other felony convictions. The federal law gives states the ability to opt-out of the lifetime ban or modify the period of the ban. Presently, Louisiana has a one-year ban.

The proposed legislation authorizes the state to opt-out of the lifetime ban; thus, removing the current one-year ban. Therefore, an individual with a drug-related felony will become immediately eligible for TANF and SNAP benefits if all the other eligibility factors are met. The Department of Children and Family Services (DCFS) estimates a one-time cost of \$50,000 to update the LA Automated Management Information (LAMI) and CAFÉ (Common Access Front End) computer systems. DCFS anticipates the programming changes to the LAMI and CAFÉ systems will be accomplished utilizing funding allocated to two separate existing IT contracts with Xerox (LAMI) and the Office of Technology Services (OTS). The funding allocated to Xerox and OTS are used for maintenance of the LAMI and CAFÉ systems. To the extent that allocated funding under these two existing contracts are redirected to mitigate the cost of this measure and the balance is not adequate to complete maintenance of the Xerox and CAFE systems, additional funding may be required. The match rate is 50% SGF and 50% federal.

There are approximately 6,000 individuals convicted of drug felonies per year. The fiscal analysis assumes that 3,000 individuals will apply for and be eligible for SNAP benefits and 60 individuals will apply for and be eligible for TANF benefits. Any workload increases as a result of this measure depend on the number of newly eligible individuals that apply for TANF and SNAP. DCFS has indicated that any workload increase can be absorbed with existing staff. DCFS averages over 432,000 TANF and SNAP cases per month. For illustrative purposes, if half of the 6,000 individuals apply for TANF and/or SNAP benefits, the number of DCFS intake cases statewide would increase by 250 cases per month (3,000 divided 12 months).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 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}

Evan Brasseaux
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Staff Director