

## LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **SB 195** SLS 24RS

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Bill Text Version: ENROLLED

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: May 23, 2024 9:13 AM Author: MIGUEZ

**Dept./Agy.:** Department of Children and Family Services

Subject: Prohibits SNAP Work Requirement Waivers

Analyst: Tamiko Stroud

WELFARE EN SEE FISC NOTE GF EX
Provides relative to work requirements within the Supplemental Nutrition Assistance Program. (gov sig)

<u>Proposed law</u> prohibits the Department of Children and Family Services (DCFS) from seeking, applying for, accepting, or renewing any work requirement waiver not exercised and from exercising the state's option to provide any exemptions from the work requirement for SNAP. It is the intent of the <u>proposed law</u> to institute a comprehensive, statewide work

requirement for able-bodied adults up to fifty-two years old without any dependents who receive SNAP benefits in this state.

Proposed law is effective upon signature of the governor or lapse of time for gubernatorial action.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW					
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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**

The Department of Children and Family Services (DCFS) reports the proposed law will have no material impact on expenditures. The proposed law prohibits DCFS from seeking, applying for, accepting, or renewing any work requirement waiver and prohibits the department from exercising the state's option to provide any exemptions from the work requirement for the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp program).

The federal Fiscal Responsibility Act (known as the SNAP Time Limit) limits the duration of SNAP benefits for able bodied adults without dependents (ABAWDs) to 3 months in a 3-year period unless they meet work requirements or receive an exemption. Since this proposed law prohibits exemptions, (ABAWDs), aged 18 to 52 years old would be considered Mandatory Work Registrants (MWRs).

Once the current ABAWD waiver expires in August 2024, the department would have to mail notification letters to approximately 30,517 SNAP ABAWD recipients (as of February 2024) indicating the minimum work requirements of the program in order to be exempt from the 3-month time limit. Also, DCFS would have to change the programming of the eligibility software to require redeterminations at 3-month time intervals instead of the current programming of verifications at 6-month time intervals. These costs are indeterminable and speculative based on the number of individuals falling within eligibility categories.

Currently, DCFS contracts with 37 providers that serve a total of 3,923 SNAP employment and training program (E & T) participants, including 442 ABAWDs, for a total administrative cost of \$9,018,639. The average cost is \$2,299 per SNAP E & T participant (\$9,018,639 contract provider cost /3,923 participants = \$2,299). DCFS has indicated that participation in E & T programs is not mandatory but voluntary. To the extent capacity is not available to provide E & T programming to ABAWDs, those individuals may be required to seek alternate options to maintain eligibility.

It is unknown the number of ABAWDs that will begin participating in E & T programs to avoid the 3-month limit. To the extent that participation in E & T programs by ABAWDs increases and the department is able to expand E & T assignments statewide to all eligible and willing ABAWDs recipients in future fiscal years, the proposed law may result in an incremental expenditure increase associated with expanding existing contracts and/or entering into new contracts with E & T providers.

## **REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. SNAP benefits are 100% federally funded and directly sent to participants.

<u>Senate</u>	Dual Referral Rules	<u>House</u>	
13.5.1 >=	\$100,000 Annual Fiscal Cost {S & H}	6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	Johns Romor
	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Patrice Thomas Deputy Fiscal Officer