

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	96,276 to 222,654		96,276 to 222,654	
CASH FUNDS				
FEDERAL FUNDS	96,276 to 222,654		96,276 to 222,654	
OTHER FUNDS				
TOTAL FUNDS	192,552 to 445,308		192,552 to 445,308	

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) to 150% of the federal poverty limit (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 of 130% FPL would be increased to 150%, 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. For a three-person household, allowable income deductions would increase by \$326. 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 family would increase by 34,500 households. It is estimated that approximately 5% to 10% would meet the net income limit after applying deductions for allowable expenses. Approximately 1,725 to 3,450 additional households would be eligible. The aid costs are paid for from federal funds.

The workload increase would require between four and eight social service workers. At the higher end of the estimated caseload increase, a supervisor would also be needed. The application for SNAP has recently been streamlined by increasing the asset limit to \$25,000 which requires less worker time to check for resources, since very few families would have assets close to that amount. The costs would range from \$192,552 (\$96,276 GF and FF) to \$445,308 (\$222,654 GF and FF) annually.

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.

This provision in this bill only applies to households without a member who is either elderly or disabled. The gross income limit for households with an elderly or disabled household member is 165% FPL.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 330	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 3/12/2013	PHONE: 471-4173
COMMENTS: HHS analysis and estimate of fiscal impact to the agency appear reasonable. LB 330 would result in an estimated \$11.6 million increase in federal funds spent annually for the SNAP program.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 1-29-13

Phone: (5) 471-8072

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$837,917		\$837,917	
CASH FUNDS				
FEDERAL FUNDS	837,917		837,917	
OTHER FUNDS				
TOTAL FUNDS	\$1,675,834		\$1,675,834	

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

Explanation of Estimate:

Based on US Census figures, increasing the FPL to 150% would increase the potential client base by approximately 78,000 persons, or 34,500 households. Due to the amount of eligible expenses necessary to pass the net income test, it is estimated that approximately 10%, or 3,450, of these households would be eligible for SNAP benefits. The addition of 3,450 SNAP cases would require 19 additional Social Service Workers, 4 case aids, and 2 Social Service Supervisors, based on workload study caseload recommendations from the "Findings and Recommendations of Department of Social Services Joint Labor/Management Workload Study Committee." The total cost for the above additional personnel is \$1,675,834 (\$837,917 GF, \$837,917 FF) in each year SFY2014 and 2015.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2013-2014	2014-2015
		13-14	14-15	EXPENDITURES	EXPENDITURES
	Social Services Worker	19	19	\$630,490	\$630,490
	Social Services Supervisor	2	2	84,930	84,930
	Case Aid	4	4	93,380	93,380
Benefits.....				323,520	323,520
Operating.....				543,514	543,514
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$1,675,834	\$1,675,834