

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	145,272		144,540	
CASH FUNDS				
FEDERAL FUNDS	145,272		144,540	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>290,544</b>		<b>289,080</b>	

**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) in two steps. The gross income limit would be increased to 140% of the Federal Poverty Limit (FPL) but leaves the net income eligibility limit the same. The implementation date is September 1, 2019.

Eligibility for SNAP must meet a two-pronged gross and net income test. The current gross income eligibility limit for households is 130% FPL. This bill would increase it to 140%, 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. 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 families would increase by 31,600 households. It is estimated that approximately 5% would meet the net income limit after applying deductions for allowable expenses. Approximately 1,580 additional households would be eligible. The aid costs are paid for from federal funds and administrative match is 50% federal.

Based on an average caseload of 400 families, the workload increase would require four social service workers and one case aide. The costs would be \$289,080 (\$144,540 GF and FF) in FY 2020 and FY 2021. A one-time modification to NFOCUS would be \$1,464 (\$732 GF and FF) in FY 2020.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 255 AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)	
REVIEWED BY: Elton Larson	DATE: 2/4/2019	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with DHHS estimate of fiscal impact to the agency.		

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

Prepared by: (3) Mike Michalski

Date Prepared 1-17-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$487,353		\$507,779	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$487,352		\$507,779	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$974,705	\$0	\$1,015,558	\$0

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

**Explanation of Estimate:**

LB 255 will increase the gross eligibility limit for the Supplement Nutrition Assistance Program (SNAP) Temporary Assistance for Needy Family (TANF)-Funded program to 140% Federal Poverty Level (FPL). The net income limit of 100% Federal Poverty Level would not change.

A fiscal impact to Department of Health and Human Services (DHHS) would result from an increase in SNAP cases and in caseload management. SNAP benefits are paid 100% by the federal government and would have no impact to DHHS. Administrative costs are paid through a matched 50% state general funds and 50% federal funds.

Based on US Census data figures, increasing the FPL eligibility to 140% would increase the potential client base by approximately 78,700 persons or 35,361 households (assuming 2 people as the average household size). We anticipate 25% of the 35,361 new qualified households, 8,840 households, will apply for SNAP. It takes 2 hours of processing time to handle each application. Due to the amount of eligible expenses necessary to pass the net income test, it is estimated that approximately 5%, or 1,768 of these households would be eligible for SNAP benefits. Annual case management time for eligible households is 5 hours.

To accommodate the increases in case applications and ongoing case management, DHHS will need to hire 13 Social Service Workers, 1 Social Services Supervisor, and 1 Case Aide. The total cost for the additional personnel is \$973,242 in SFY2019 (\$486,621 GF and \$486,621 FF) and \$1,015,558 in SFY2020 (\$507,779 GF & \$507,779 FF). The additional one time estimated cost for technology/NFOCUS (Nebraska Family Online Client User System) enhancements is \$1,463 (\$732 GF and \$731 FF) in SFY2020. It is anticipated that new staff would start in mid July 2019.

DHHS will be required to complete a major rule and regulation change as a result of LB 255. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hours	Hourly Cost	Absorbed Cost
Director	4	\$ 72.115	\$ 288
Deputy Director	4	\$ 51.923	\$ 208
Administrator I	4	\$ 29.354	\$ 117
Program Specialist	8	\$ 21.466	\$ 172
Program Analyst	16	\$ 20.869	\$ 334
Attorney 3	30	\$ 32.213	\$ 966
<b>Total Costs</b>	<b>66</b>		<b>\$ 2,085</b>

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2019-2020	2020-2021
	19-20	20-21	EXPENDITURES	EXPENDITURES
Social Services Worker	12.46	13	\$457,059	\$476,931
Social Services Supervisor	.96	1	\$24,733	\$25,809
Case Aid	.96	1	\$44,992	\$46,948

Benefits.....			\$207,184	\$216,193
Operating.....			\$239,274	\$249,677
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....			\$1,463	
<b>TOTAL.....</b>			<b>\$974,705</b>	<b>\$1,015,558</b>