

PREPARED BY: Liz Hruska
 DATE PREPARED: February 13, 2020
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LB 1037

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would disqualify only the person who fails to comply with work requirements under the Supplemental Nutrition Assistance Program (SNAP) not the entire household.

Currently an entire household is disqualified. Under the provisions of this bill, the benefit would be reduced by the amount for just the person failing to meet the work requirements. On average 82 households have been disqualified. Maintaining the rest of the household would not have a significant impact on caseloads. The benefits are paid with federal funds. There is no fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1037 AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)	
REVIEWED BY: Elton Larson	DATE: 2/13/2020	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with DHHS analysis and estimate of fiscal impact.		

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 1-21-2020

Phone: (5) 471-6719

	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ 0	\$0	\$ 0	\$0

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

Explanation of Estimate:

LB1037 will change eligibility requirements for households receiving Supplemental Nutrition Assistance Program (SNAP) benefits.

The federal Food and Nutrition Service allows each state the option to impose disqualifications on individuals or the entire household for failure to comply with federal work requirements. This option is reported annually to the SNAP State Plan. The State of Nebraska has the ability to change this option without legislative intervention by updating Nebraska's SNAP State Plan.

In Nebraska, the household SNAP benefit is discontinued if the individual who is the head of the household fails to comply with SNAP work requirements. In the last three years, an average of 82 households became ineligible due to non-compliance.

LB1037 will disqualify only such person while preserving the benefit for the rest of the household. The average SNAP benefit is \$247 per month per household, and the average household has 2.2 persons. With one person excluded, the average family will receive \$135 per month. Eighty-two households receiving an average of \$135 per month is \$132,840 of SNAP benefits per year. SNAP benefits are paid directly by the federal government.

The Department of Health and Human Services (DHHS) will be required to complete a minor rule and regulation change as a result of LB 1037. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hour(s)	Hourly Cost	Absorbed Cost
Director	1	74.28	\$ 74
Deputy Director	1	53.48	\$ 53
Administrator I	1	30.82	\$ 31
Program Specialist	2	22.52	\$ 45
Program Analyst	4	21.91	\$ 88
Attorney 3	10	33.82	\$ 338
Total Costs	19		\$ 629

There is no fiscal impact to the Department of Health and Human Services.

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2020-2021	2021-2022
	20-21	21-22	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$ 0	\$ 0