

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5052-01
Bill No.: HB 2444
Subject: Public Assistance; Crime and Punishment; Department of Social Services
Type: Original
Date: April 8, 2008

Bill Summary: This legislation modifies the eligibility requirements for food stamp assistance.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(\$293,488)	(\$618,648)	(\$1,037,903)
Total Estimated Net Effect on General Revenue Fund	(\$293,488)	(\$618,648)	(\$1,037,903)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Income and costs of approximately \$293,488 in FY09, \$618,648 in FY10 & \$1,037,903 in FY11 would net to \$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services** and the **Department of Mental Health** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Department of Social Services (DSS)** assume the proposal would add 15,299 cases to the food stamp caseloads. The Family Support Division (FSD) anticipates these to phase in over a period of five years, with 20% each year. DSS assumes the proposal would cost \$556,976 in FY09, \$1,237,296 in FY10 and \$2,075,805 in FY11 (50% General Revenue and 50% Federal) to manage the new caseload. To manage the new caseload, FSD will use a variety of methods, such as a call center or other automated services. The call center would start the application process instead of current FSD employees allowing those employees to work on other task in the process. Therefore, the current FSD employees with added resources will be able to increase their caseload. FAMIS estimates \$30,000 would be needed to make necessary programming changes to accommodate the changes made by this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE FUND			
<u>Costs - Department of Social Services</u>			
Call Center, New Resources & FAMIS			
Cost	<u>(\$293,488)</u>	<u>(\$618,648)</u>	<u>(\$1,037,903)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$293,488)</u>	<u>(\$618,648)</u>	<u>(\$1,037,903)</u>

FEDERAL FUNDS

Income - Department of Social Services

Federal Assistance	\$293,488	\$618,648	\$1,037,903
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Costs - Department of Social Services

Call Center, New Resources & FAMIS			
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Cost	<u>(\$293,488)</u>	<u>(\$618,648)</u>	<u>(\$1,037,903)</u>
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ESTIMATED NET EFFECT ON FEDERAL FUNDS

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2009 (10 Mo.)	FY 2010	FY 2011
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

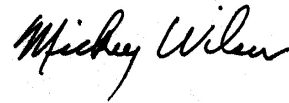
The proposed legislation provides that pursuant to the option granted under the federal Personal Responsibility and Work Opportunity Act of 1996, an individual who has a felony conviction under federal or state law involving possession, use, or distribution of a controlled substance shall be eligible for food stamp benefits if such person, as determined by the Department of Social Services, successfully participates in or has satisfactorily completed a substance abuse treatment program approved by the Division of Alcohol and Drug Abuse or complies with all obligations imposed by the court, Divisions of Alcohol and Drug Abuse and the Division of Probation and Parole. The individual must meet all other factors for foods stamps eligibility.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Mental Health
Department of Health and Senior Services
Department of Social Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 8, 2008