

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6262H.011
 Bill No.: HB 2481
 Subject: Public Assistance; Food; Immigration
 Type: Original
 Date: February 25, 2026

Bill Summary: This proposal prohibits the use of SNAP benefits to purchase certain foods.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	(\$141,750 or \$1,676,679)	(\$29,059 or \$979,517)	(\$29,785 or \$980,243)
Total Estimated Net Effect on General Revenue	(\$141,750 or \$1,676,679)	(\$29,059 or \$979,517)	(\$29,785 or \$980,243)

*Range is based on whether the DSS funding requested to automate system changes for implementation of HR 1 NDI in the FY 2027 budget is granted. (If automation system changes are not implemented/funded, DSS notes this proposal could result in the need for 204 FTE.)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Federal Funds*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Revenue gains and costs range from \$0 or \$13.8M in FY 2027 and \$0 or \$8.5M in 2028 and ongoing and net to zero.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§208.009 - Citizenship Qualification for Supplemental Nutrition Assistance Program (SNAP)

Officials from the **Department of Social Services (DSS)** provided the following:

Section 208.009.1

Prohibits individuals who are not a US citizen or US national from receiving Supplemental Nutrition Assistance Program (SNAP) benefits unless they meet the definition of an eligible alien under SNAP laws at 7 U.S.C. 2015(f) as well as the definition of a qualified alien pursuant to 8 U.S.C 1641(b).

Currently FSD administers the SNAP program in accordance with the requirements outlined in 7 U.S.C. 2015(f) and 8 U.S.C 1641(b). The provisions of section 208.009.1 do not alter any eligibility requirements for SNAP.

Therefore, there is no fiscal impact to FSD for section 208.009.1.

Sections 208.009.4, 208.009.5, and 208.009.6

These sections are amended to require all applicants, regardless of age, to provide documentary proof of citizenship or other eligible alien status for public benefits. Any applicant who cannot provide proof may sign an affidavit under oath attesting to being a citizen or eligible alien for public benefits. 209.007 is amended to require either the minimum period required under federal law or ninety days if no minimum period is established under federal law for the signed affidavit to be allowed when initially determining eligibility for public benefits. Additional provisions are added to restrict additional periods of temporary eligibility if they have previously been denied public benefits for failure to verify citizenship, national status or alien status.

Current federal regulations require all applicants' citizenship or eligible alien status to be verified for eligibility for SNAP, TANF, and MO HealthNet. SNAP and TANF federal guidelines do not allow for the temporary approval of benefits while obtaining documentary proof of eligible citizenship or alien status. Applicants requesting MO HealthNet benefits attest to their status on the application and if documentary proof is not available, temporary approval of MO HealthNet is completed, and a reasonable opportunity period of 90 days is allowed to obtain documentary proof eligibility. Failure to provide proof as required then results in termination of eligibility. However, [42 CFR 435.956](#) requires states to allow additional reasonable opportunity periods if the applicant reappplies and prohibits states from limiting the number of reasonable opportunity periods an individual may receive. In order to continue receiving federal funds for the

administration of these programs, FSD must adhere to the federal requirements. Failure to adhere to these requirements may result in the loss of federal funding.

Therefore, FSD assumes that if the provisions of these sections are enacted, FSD would continue to follow federal regulations and there would be no fiscal impact to FSD.

Section 208.009.7

Section 208.009.7 is amended to require the use of the Systematic Alien Verification for Entitlements (SAVE) program but does not limit additional sources when verifying an alien's lawful presence.

FSD currently accesses SAVE to verify lawful presence of aliens for SNAP, MO HealthNet, and TANF benefits at application or if a change in citizenship or immigration status is reported. The provisions of this subsection do not alter the eligibility criteria for any programs FSD administers.

Therefore, there is no fiscal impact to FSD for section 208.009.7.

Section 208.009.8

Section 208.009.8 is amended to state that a match through any electronic or data verification system shall not, by itself, be accepted as proof of identity.

FSD administers eligibility for SNAP, TANF, and MO HealthNet programs. Federal regulations require verification of identity prior to approval for the benefit programs FSD administers. Federal guidelines do not allow for the requirement to provide more than one source of verification for identity, and some electronic sources are considered acceptable proof of identity for these programs. FSD must adhere to the requirements established by the federal departments responsible for oversight of state agencies administration of the programs. Failure to adhere to the federal regulations by requiring additional verification could result in the loss of federal funding.

Federal Regulations:

MHN: [42 CFR 435.407](#) provides acceptable sources of verification for identity for MO HealthNet programs.

TA: TA follows SNAP federal regulations regarding identity verification when an applicant's identity is questionable.

SNAP: [7 CFR 273.2\(f\)\(1\)\(vii\)](#) provides acceptable sources of verification for identity for SNAP.

Therefore, FSD assumes that if the provisions of this section are enacted, FSD would continue to follow federal regulations and there would be no fiscal impact to FSD.

Section 208.009.11

Section 208.009.11 requires any agency administering public benefits to utilize SAVE to verify that any applicant or enrollee is a US citizen, US national, or eligible alien at every application, redetermination, or change related to citizenship or immigration status. If the applicant or enrollee is determined to be unlawfully present, the application must be rejected and benefits terminated. This section also requires the state agency to refer the case to the appropriate federal agency, including but not limited to the USDA, for investigation and enforcement if unable to determine lawful presence.

Response 208.009.11:

Currently, FSD accesses SAVE to verify citizenship only in instances where other means of verification have not been provided. FSD currently accesses SAVE to verify lawful presence of aliens for anyone not attesting to be a citizen.

To implement the provision to utilize SAVE for every applicant or enrollee at application, renewal or change related to citizenship or immigration status, **funding of \$15,349,288 through an FY 2027 NDI (new decision item) has been requested for eligibility verification services related to H.R. 1 implementation**, which includes system changes to automate the verification process with SAVE. Because the costs in the budget request include all necessary eligibility verification service changes to implement H.R. 1, the amount directly related to automation of the verification process with SAVE is unknown. Without approval of funding to implement these necessary system changes, a manual process will be required resulting in additional staff needed.

To implement the provision through a manual process, DSS estimates 10 minutes per participant per year to access, review, and document SAVE results as required. Participation data from November 2025 was used.

MHN: 1,610,132 enrollees * 10 minutes per year = 16,101,320 minutes / 60 minutes per hour = 268,356 (rounded up) hours per year. Based on 2,080 working hours annually, 129 Benefit Program Technicians (268,356/ 2080 = 129.01 rounded down), 13 Benefit Program Supervisors (129/10=12.9, rounded up), and 2 Program Coordinator (13/10= 1.3, rounded up) for a total of 144 FTE needed.

SNAP: 642,563 participants * 10 minutes per year = 6,425,630 minutes / 60 minutes per hour = 107,094 (rounded up) hours per year. Based on 2,080 working hours annually, 52 Benefit Program Technicians (107,094/ 2080 = 51.48 rounded up), 6 Benefit Program Supervisors (52/10=5.2, rounded up), and 1 Program Coordinator (6/10= .6, rounded up) for a total of 59 FTE needed.

TA: 11,626 participants * 10 minutes per year = 116,260 minutes / 60 minutes per hour = 1,938 (rounded up) hours per year. Based on 2,080 working hours annually, 1 Benefit Program Technician (1938/ 2080 = .93 rounded up), for a total of 1 FTE needed.

Therefore, the fiscal impact for section 208.009.11 is 204 FTE (182 Benefit Program Technicians + 19 Benefit Program Supervisors + 3 Program Coordinators) if funding to implement system changes to automate the verification process with SAVE is not approved.

Section 209.008.12

DSS officials state section 208.009.12 requires DSS to consider the entire income and financial resources of ineligible aliens when determining SNAP eligibility and benefit allotments. FSD currently counts a pro rata share of an ineligible alien's income as options provided by both [7 CFR 273.11\(c\)\(3\)\(i\)](#) and [7 CFR 273.11\(c\)\(3\)\(ii\)](#). [7 CFR 273.11\(c\)\(3\)\(i\)](#) allows for states to count full income for ineligible aliens with certain exceptions.

Due to system limitations, FSD is unable to identify the change in benefit amount for the 2,173 active SNAP households as of 11/2025 that could potentially be impacted by 208.009.12. However, FSD estimates the fiscal impact to implement the provisions in section 208.009.12 would be negligible.

In Summary

FSD defers to OA-ITSD for system changes necessary to implement the provisions of this bill. FSD defers to DLS for the provision in section 208.009.11 that requires disclosure of participant information.

If the department **request funding for automation is approved**, the fiscal impact to FSD would be \$15,349,288 (10% GR; 90 % Federal) in FY27 and \$9,504,577 ongoing, to implement system changes.

If the department funding **request is not approved**, the fiscal impact to FSD is 204 FTE at \$17,708,986 in FY27, \$18,623,516 in FY28, and \$18,811,930 in FY29 (Estimated at 43 % GR; 57% Federal based on individual FTE's incorporated) to meet the needs of this legislation through a manual review process.

Oversight notes that in response to similar legislation, HB 2481, the DSS, Division of Legal Services (DLS) stated they will accommodate the fiscal impact of disclosure of participant information with existing staff.

Oversight also notes that **DSS** provided the following information regarding the costs of automation:

	2027	2028	2029
GR 10%:	(\$1,534,929)	(\$950,458)	(\$950,458)

Federal 90%: (\$13,814,359) (\$8,554,119) (\$8,554,119)
Total: (\$15,349,288) (\$9,504,577) (\$9,504,577)

Oversight assumes that if the NDI requested by DSS is not granted, then DSS would incur the cost of automation, rather than additional staff, to implement the provisions of this proposal. Therefore, Oversight will reflect the estimates as provided by the DSS as \$0 (funding request met) or the cost of automation.

Oversight notes in the [FY27 DSS Appropriation Book with Governor's Recommendations](#), the DSS FY 2027 NDI budget request for the implementation of HR 1 covers multiple DSS programs and systems changes.

DSS notes as follows:

HR 1 was signed into law on July 4, 2025. The Department of Social Service (DSS) has completed an analysis of the bill to determine the impacts to the department and changes to programs administered by DSS. However, the final impacts will not be fully known until the applicable Federal Department that regulates each program affected by the Act promulgates rules. The funding needed currently is for income maintenance eligibility system updates and additional resources to implement the provisions of this legislation. Additional budgetary changes will be requested as needed based on additional guidance received. The next sections will identify by bill section a brief description of the change and the necessary resources to implement the change.

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DSS** state updates to the Family Assistance Management Information Systems (FAMIS) and Missouri Eligibility Determination and Enrollment System (MEDES) would be required.

The OA, ITSD/DSS estimate is related to changes that would need to be made for SNAP. Based on language in the proposal, OA, ITSD/DSS might not need to build an interface with SAVE (Systematic Alien Verification for Entitlements Program).

OA, ITSD/DSS assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for FAMIS are estimated at \$105/hour. It is assumed that if modifications are necessary, the work will require 375.84 hours for a cost of \$39,463 (375.84 * \$105), 100% GR in FY 2027. IT costs are estimated at \$8,090 in FY 2028, \$8,292 in FY 2029 and ongoing.

The Missouri Eligibility Determination and Enrollment System (MEDES) was developed to meet Patient Protection and Affordable Care Act requirements for processing eligibility under Modified Adjusted Gross Income (MAGI) criteria. Section 208.009.2 prohibits non-citizens from receiving MO HealthNet benefits eliminating the Emergency Medicaid for Ineligible Aliens subprogram. Section 208.009.9 precludes acceptance of identity and citizenship verification through an electronic or data verification system. Additionally, 208.009.12 requires a

field for citizenship or immigration status on presumptive eligibility applications. These changes require modifications to MEDES to prevent issuance of benefits via the Emergency Medical Care For Ineligible Aliens (EMCIA) program, prevent electronic verification of identity and citizenship, and addition of citizenship attestation flag on presumptive eligibility (PE) cases.

Modifications for the MEDES system must be performed by Redmane. Hourly IT costs under this contract vary by position title and work type. It is estimated to take 2,250 hours for a total cost of \$375,000 in FY 2027 exclusively, 100% GR.

Oversight does not have any information to the contrary. Oversight notes in the [FY27 DSS Appropriation Book with Governor's Recommendations](#), the DSS FY 2027 NDI budget request for the implementation of HR 1 includes system changes related to citizenship verification. Oversight assumes that DSS will receive funding for automation if the NDI request is not granted. Therefore, Oversight notes the estimates as provided by the OA/ITSD, DSS for FAMIS, if the funding request not met, is (\$39,463) in FY 2027; (\$8,292); in FY 2028 and ongoing. Oversight notes the estimates as provided by the OA/ITSD, DSS for MEDES, if the funding request is not met, is (\$375,000) in FY 2027 exclusively.

Officials from the **Office of Administration (OA) - Facilities Management, Design and Construction (FMDC)** state, based on language in section 208.009, DSS anticipates the need for an additional 204.00 FTE to meet the new requirements. The new FTE will need workspace. Using 200 square feet/FTE at a cost of \$18/sq ft, the cost for 204 FTE is \$734,400. Additional costs include Janitorial at \$2.47/square foot and Utilities at \$2.80/square foot. The Services Cost is estimated to be \$215,016. There would be one-time costs for data wiring at \$1,000/FTE and cubicle construction at \$1,000/FTE. The one-time costs are estimated to be \$408,000. The total impact to FMDC is estimated to be \$1,357,416 the first year.

Oversight does not have information to the contrary. Oversight notes the estimates as provided by the OA/FMDC for the accommodation of additional staff is (\$1,199,180) in FY 2027; (\$968,404) in FY 2028 and (\$987,772) in FY 2029. Oversight further notes that the expenditures presented by OA/FMDC are based on DSS requiring additional staff. Oversight assumes that DSS will receive funding for automation if the NDI request is not granted. Therefore, Oversight assumes no fiscal impact to OA/FMDC for fiscal note purposes.

Officials from the **Department of Mental Health (DMH)** state that DMH is a consolidated agency under OA-ITSD. This proposed bill appears to require updates to an existing application that will allow DMH staff to collect required data for submission to the SAVE program for immigration verification. The process will include updates to an existing application and a file transfer process. It is assumed that the Federal SAVE application accepts and responds to file transfer requests. It is also assumed DMH will provide staff for collecting required data and documentation on registration and there is no charge per transaction for state agencies communication with the SAVE application.

DMH estimates the fiscal impact to General Revenue for this proposal to be \$141,750 in FY 2027, \$29,059 in FY 2028 and \$29,785 in FY 2029 to do the ITSD updates.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DMH.

§208.025 – Supplemental Nutrition Assistance Program (SNAP) Food Restrictions

Officials from the **DSS** state this new proposed section requires the Director of the DSS to request a waiver from the U.S. Department of Agriculture (USDA) to exclude candy and soft drinks, as defined in this legislation, from the definition of eligible foods under 7 CFR 271.2 for Supplemental Nutrition Assistance Program (SNAP) purchases. If the waiver is granted, the purchase of candy and soft drinks, as defined in this section, will be prohibited for purchase with SNAP benefits.

In accordance with [Executive Order 25-30](#), issued by Governor Kehoe on September 28, 2025, the DSS has prepared and submitted a [waiver](#) to the United States Department of Agriculture (USDA) Food Nutrition Service (FNS) on October 8, 2025, with an anticipated implementation date of October 1, 2026. The waiver requests authority to operate the SNAP program in a manner that prioritizes healthy food and nutritional value, discourages foods that are high in added sugar and ultra processed, and supports Missouri agriculture. Additionally, in accordance with the Executive Order, DSS is exploring other strategies to further incentivize the purchase of fresh fruits, vegetables, and Missouri-produced meat and dairy products using existing Missouri healthy food education and access programs. The waiver was [approved](#) by FNS on December 10, 2025. If the provisions of this legislation are enacted, there will be no impact to Family Support Division.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency for this section.

Responses Regarding the Proposed Legislation as a Whole

Officials from the **Department of Elementary and Secondary Education, Department of Health and Senior Services, Office of Administration (OA), OA - Administrative Hearing Commission, City of Kansas City, Newton County Health Department**, each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other city officials, county officials and hospitals were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the

necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DSS/FSD (§208.009)</u> Automation expenditures p.6-7	\$0 or (\$1,534,929)	\$0 or (\$950,458)	\$0 or (\$950,458)
<u>Cost – OA/ITSD, DMH (§208.009)</u> Updates to existing application p.8-9	(\$141,750)	(\$29,059)	(\$29,785)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$141,750 or \$1,676,679)	(\$29,059 or \$979,517)	(\$29,785 or \$980,243)
FEDERAL FUNDS			
<u>Revenue Gain - DSS/FSD (§208.009)</u> Reimbursement for automation p.6-7	\$0 or \$13,814,359	\$0 or \$8,554,119	\$0 or \$8,554,119
<u>Cost - DSS/FSD (§208.009)</u> Automation expenditures p.6-7	\$0 or (\$13,814,359)	\$0 or (\$8,554,119)	\$0 or (\$8,554,119)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill prohibits individuals that are not United States citizens or nationals from receiving assistance through the Supplemental Nutrition Assistance Program (SNAP) or through MO

HealthNet, unless those individuals meet Federal definitions of "eligible alien" and "qualified alien". The bill modifies what proof must be submitted at the time of application to include proof that the applicant is a United States citizen, United States national, or alien with an immigration status eligible for public benefits.

The bill repeals an existing provision of law that prohibits employees of agencies of state or local government from inquiring about the legal status of a custodial parent or guardian applying for a public benefit on behalf of his or her dependent child who is a citizen or permanent resident. Current law provides that applicants who cannot provide proof required under current law can sign an affidavit under oath attesting to citizenship or classification as a lawfully admitted alien.

This bill adds that the affidavit must attest to such applicant's eligibility for public benefits. Currently, an applicant who has provided the sworn affidavit described is eligible to receive temporary benefits for 90 days under certain conditions.

This bill modifies that time frame to be the minimum period required under Federal law, or 90 days if no minimum period is required under Federal law. The bill provides that failure to submit acceptable documentation establishing United States citizenship, national status, or alien status eligible for public benefits will result in denial or termination of public benefits, and that no additional period of eligibility for temporary benefits will be granted to any applicant that has previously been denied public benefits at any time due to a failure to verify citizenship, national status, or alien status eligible for benefits. Currently, after an applicant's lawful presence has been verified through the Systematic Alien Verification for Entitlements Program through the United States Department of Homeland Security, no additional verification is required.

This bill repeals that provision and provides that the system utilized for verification will include, but not be limited to, the Systematic Alien Verification for Entitlements Program. The bill provides that if any agency administering public benefits is unable to determine an applicant's or enrollee's lawful presence after authorized verification, the agency is required to suspend approval or continuation of benefits and refer the case to the Department of Homeland Security or other appropriate Federal agency. The bill requires the Department of Social Services, when administering SNAP benefits, to consider the entire income and financial resources of any individual rendered ineligible to receive benefits under the provisions of this bill when determining the eligibility and benefit allotment of the household of which the individual is a member, and not to prorate or exclude the income or financial resources of ineligible individuals. All such income and resources will be fully considered.

This bill requires the Director of the Department of Social Services to request a waiver from the United States Department of Agriculture to exclude candy and soft drinks, as those terms are defined in the bill, from the definition of eligible foods under federal law governing provisions of the Supplemental Nutrition Assistance Program. If the waiver is not granted, the Director is required to request the waiver on an annual basis until it is granted.

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

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Mental Health
Department of Social Services
Office of Administration - Administrative Hearing Commission
City of Kansas City
Newton County Health Department



Julie Morff
Director
February 25, 2026



Jessica Harris
Assistant Director
February 25, 2026