

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0913H.01I  
Bill No.: HB 217  
Subject: Public Assistance; Social Services, Department Of; Food  
Type: Original  
Date: February 25, 2021

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Bill Summary: This proposal modifies provisions relating to work requirements for the Supplemental Nutrition Assistance Program.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
General Revenue	(\$38,372)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$38,372)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Federal Funds*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenses estimated at \$38,372 in FY 22 only and net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §208.246 - New section for Supplemental Nutrition Assistance Program work requirements

Officials from the **Department of Social Services (DSS), Family Support Division (FSD)** assume existing staff will be able to complete the necessary additional work as a result of this proposal. However, FSD may need to request additional federally appropriated funding from the Food and Nutrition Service (FNS) and additional appropriation authority to spend federal funds (in the MO Work Assistance Unit section) to serve the additional individuals that will need to comply with this work requirement in order to not be disqualified. The existing work and training program administered by FSD for SNAP participants meets federal guidelines and is available to the population that would be subject to the work requirements in this bill.

In addition, FSD currently uses existing available Temporary Assistance funds in the Missouri Work Assistance Program for work programs for SNAP able-bodied adults with children. FSD assumes OA-ITSD will include the FAMIS programming costs for the system changes as well as the system generated notice needed to implement provisions of this bill in their response.

Because SNAP benefits are 100% federally appropriated and funded, FSD will not experience a fiscal impact due to any reduction in SNAP benefits that may result from this legislation. Therefore, there is no fiscal impact to FSD. However, FSD may need to request additional federally appropriated funding from FNS and additional appropriation authority to spend federal funds (in the MO Work Assistance Unit section) to serve the additional individuals that will need to comply with this work requirement in order to not be disqualified.

**Oversight** does not have any information to the contrary. Therefore, Oversight will assume FSD can complete the additional work required by this proposal within current funding/staffing levels.

**Oversight** notes that, in response to similar legislation from the previous session (SB 611), officials from DSS, Division of Legal Services (DLS) requested three additional FTEs, but did not request any additional FTEs in response to this proposal. In discussions with DSS officials, Oversight learned that DLS assumes it will be able to handle any additional hearings resulting from this proposal with existing staff.

**Oversight** does not have any information to the contrary. Therefore, Oversight will assume DLS can complete the additional work required by this proposal within current funding/staffing levels.

Officials from **OA, ITSD/DSS** state changes to the Family Assistance Management Information System (FAMIS) will be required. These changes will include screen changes, eligibility determination changes, forms and notice changes and new online/batch interface programs to obtain data if it has to be from any external sources. For purposes of a level of effort, ITSD is

breaking this into smaller portions; these are high level estimates based on available information at this time.

It is assumed that every new IT project/system change will be bid out because all ITSD resources are at full capacity. Costs are estimated at a contract rate of \$95/hour for 807.84 hours; therefore, one-time FY 22 costs are estimated to total \$76,744 (\$38,372 GR; \$38,372 Federal funds).

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by OA, ITSD/DSS.

**Oversight** notes the **Office of Administration** has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

#### Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State** notes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>GENERAL REVENUE FUND</b>			
<u>Costs</u> - OA, ITSD (\$208.246) FAMIS system changes	<u>(\$38,372)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$38,372)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FEDERAL FUNDS</b>			
<u>Income</u> - OA, ITSD (\$208.246) Reimbursement for FAMIS system changes	\$38,372	\$0	\$0
<u>Costs</u> - OA, ITSD (\$208.246) FAMIS system changes	<u>(\$38,372)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

### FISCAL IMPACT – Small Business

This proposal could have a direct, negative fiscal impact on small business grocery and retail establishments that take SNAP benefits if recipients lose benefits because of not meeting the work requirements of the proposal. Yet it also may help small businesses that are looking for qualified applicants to fill vacant employment positions.

### FISCAL DESCRIPTION

This bill requires any individual participating in the Supplemental Nutrition Assistance Program (SNAP) to comply with the work requirements described in federal statute and regulations. Any nonexempt participant who refuses or fails without good cause to comply with the work requirements will be ineligible to participate in the program for the duration of the disqualification period as follows:

- (1) For the first occurrence of noncompliance, the individual will be disqualified for three months;
- (2) For the second occurrence of noncompliance, the individual will be disqualified for six months; and
- (3) For the third occurrence of noncompliance, the individual will be disqualified permanently.

Households may be disqualified based on individual head of household disqualification not to exceed 180 days and rules for reestablishing eligibility based on specified conditions are provided in the bill.

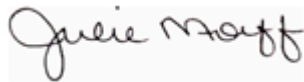
Implementation of these provisions must be accomplished using existing resources.

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

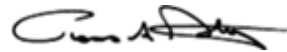
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SOURCES OF INFORMATION

Department of Social Services  
Joint Committee on Administrative Rules  
Office of Administration  
Office of Secretary of State



Julie Morff  
Director  
February 25, 2021



Ross Strobe  
Assistant Director  
February 25, 2021