

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1731

Bill Subtitle: TO REQUIRE COOPERATION BETWEEN CERTAIN STATE AGENCIES REGARDING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ELIGIBILITY.

Basic Change:

Sponsor: Rep. G. Hodges

HB1731 creates a new section at § 20-76-117 providing that the Department of Human Services (DHS) require custodial and noncustodial parents to cooperate with the Office of Child Support Enforcement (OCSE) as a condition of eligibility for Supplemental Nutrition Assistance Program (SNAP) benefits as permitted by federal regulation at 7 C.F.R. § 273.11.

Revenue Impact:

It is anticipated there could be a minor reduction in the fees collected by OCSE for provision of child support enforcement services to individuals receiving SNAP. It is not possible to estimate the scope of the impact.

Taxpayer Impact:

Those recipients of SNAP benefits who have a minor child in the home with an absent parent or who are the parent of a child not living in the home would be required cooperate with child support enforcement activities in order to be eligible for those benefits unless "good cause" were shown to excuse their failure to cooperate.

In addition, parents will be disqualified from receiving SNAP benefits during any month in which they are delinquent on any payment due under a court order for the payment of child support.

Resources Required:

The cost to OCSE for necessary data system changes is estimated to be approximately \$1.45 million initially, with an additional \$200,000 to 250,000 per year thereafter in routine maintenance costs. Two-thirds of that cost will be paid from federal funding. This is a large project requiring development of case referral and monitoring processes between OCSE and DHS and would touch almost every aspect of OCSE's data system. Significant resources are required from OCSE and DHS to develop and define policy and business procedures before a firm estimate of the time and resources may be made.

It is anticipated that OCSE's overall caseload would increase requiring additional staff. However, it is not possible to estimate the number by which the caseload might increase and the number of additional staff that might be required.

This estimate of resources required does not include any implementation costs or staffing needs that might be incurred by DHS.

Time Required:

The bill as written is effective 90 days after adjournment. The estimated time for OCSE to develop and implement the required processes is a minimum of one year. However, this estimate is contingent on DHS' development timeframes.

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Procedural Changes:

The development of procedures, software applications, training, and policy by OCSE would be required. Additionally, outreach and communication to OCSE customers affected by the new cooperation requirement would be required.

Other Comments:

None.

Legal Analysis:

Federal regulations found at 7 C.F.R. § 273.11 permit, but do not require, states to condition eligibility for SNAP benefits upon the recipient's cooperation with child support enforcement activities and disqualify a recipient from receiving benefits during any month in which the recipient is delinquent in a child support obligation.

The requirement may be applied to individuals who have custody of a minor child with a parent who is absent from the home, as well as to individuals who are the putative father or non-custodial parent of a minor child and who do not live with the child. Notice must be given to SNAP applicants of the requirement and of the right to request an exception based on good cause, such as domestic violence or similar considerations. The failure of an individual to cooperate without good cause disqualifies the individual for SNAP benefits but does not disqualify the entire household. An individual would again become eligible for benefits after satisfactorily cooperating with OCSE.