

Department of Finance and Administration

Legislative Impact Statement

Bill: HB2004

Bill Subtitle: TO REQUIRE COOPERATION BETWEEN THE DEPARTMENT OF HUMAN SERVICES AND THE OFFICE OF CHILD SUPPORT ENFORCEMENT REGARDING SNAP ELIGIBILITY.

Basic Change:

Sponsor: Rep. Hodges

HB2004 creates a new Arkansas Code section at § 20-76-114 to require a custodial or noncustodial parent to cooperate with the Office of Child Support Enforcement (OCSE) as a condition of eligibility for the Supplemental Nutrition Assistance Program (SNAP) administered by the Department of Human Services (DHS) as permitted by federal regulation at 7 C.F.R. § 273.11(o) and (p).

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 minor child not living in the home would be required to 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.

Resources Required:

The cost to OCSE for necessary data system changes is estimated to exceed \$1,000,000 initially with an additional \$200,000-250,000 per year thereafter in routine maintenance costs. 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 would be required from OCSE and DHS to develop and define policy and business procedures before a firm estimate of the time and resources could be made.

It is anticipated that OCSE's overall caseload would increase thereby 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 create and implement the required processes is a minimum of one year. As noted above, this estimate does not include DHS requirements.

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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:

Based on the best available information, seven other states currently require that SNAP recipients cooperate with child support enforcement activities as a condition of eligibility for those benefits. The identified states are Florida, Idaho, Kansas, Michigan, Nebraska, New Mexico, and Ohio.

Legal Analysis:

Federal regulations found at 7 C.F.R. § 273.11(o) and (p) permit, but do not require, states to condition eligibility for SNAP benefits upon the recipient's cooperation with child support enforcement activities. 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 does 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. No fees for or other cost for child support enforcement services may be charged to SNAP recipients. 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.