

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2545-01
Bill No.: SB 696
Subject: Public Assistance; Crime and Punishment
Type: Original
Date: April 20, 2007

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$835,327)	(\$866,218)	(\$892,205)
Total Estimated Net Effect on General Revenue Fund	(\$835,327)	(\$866,218)	(\$892,205)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Federal Funds	(\$835,327)	(\$866,218)	(\$892,205)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$835,327)	(\$866,218)	(\$892,205)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	21 FTE	21 FTE	21 FTE
Federal	21 FTE	21 FTE	21 FTE
Total Estimated Net Effect on FTE	42 FTE	42 FTE	42 FTE

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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** state this proposal allows persons with drug convictions to obtain food stamps if they are successfully involved in or has completed a drug treatment program approved by the DMH Division of Alcohol and Drug Abuse. DMH assumes there would be no fiscal impact to the DMH as a result of this legislation.

Officials from the **Department of Social Services - Family Support Division (FSD)** assume this legislation would add a total of 11,685 cases to the food stamp caseloads. There are currently 13,943 persons known to FAMIS as having a felony drug conviction. 2,258 of these people are already known to FSD as they are currently on an active food stamp case, however not receiving food stamps. $13,943 - 2,258 = 11,685$ new cases.

The FSD estimates a total of 33 new Eligibility Specialists would be needed to maintain the increased caseload size and take applications. This is based on a caseload standard of 350 ($11,685/350 = 33.39$, rounded down to 33).

On a 10-1 ratio, Eligibility Specialist to Eligibility Supervisor, FSD would need 3 new Eligibility Supervisors ($33/10 = 3.3$, rounded down to 3).

On a ratio of 6-1 Eligibility Specialist/Eligibility Supervisor to Professional Staff, we would need an additional 6 professional staff, with 4 OSA and 2 SOSA. ($33 + 3 = 36/6 = 6$. $6 \times 75\% = 4$ OSA; $6 - 4 = 2$ SOSA).

Total new FTE: $33 + 3 + 6 = 42$.

FSD assumes existing Central Office Program Development Specialists in the Policy Unit will be able to complete necessary policy and/or forms changes.

FAMIS estimates \$30,000 would be needed to make necessary programming changes to accommodate the changes made by this legislation.

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

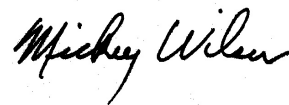
FISCAL DESCRIPTION

This legislation provides that pursuant to the option granted under the federal Personal Responsibility and Work Opportunity Act of 1996, an individual who has a conviction under federal or state law of a felony 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.

SOURCES OF INFORMATION

Department of Mental Health
Department of Social Services



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L.R. No. 2545-01
Bill No. SB 696
Page 6 of 6
April 20, 2007

Director
April 20, 2007