

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

FISCAL NOTE, 2017 LEGISLATIVE SESSION

FISCAL NOTE 2017-HB1191A

HB 1191 An Act to require cooperation with the Division of Child Support as a condition of eligibility for the SNAP program.

House Bill 1191 is a one sentence bill that reads: "The Department of Social Services shall require each person to cooperate with the Division of Child Support as a condition of eligibility, pursuant to 7 C.F.R. § 273.11(o)."

Passage of this bill would necessitate the Department of Social Services (DSS) to revise administrative rules to implement a new condition of eligibility for the Supplemental Nutrition Assistance Program (SNAP). Application forms and any related documents or online materials for SNAP would also need to be updated to reflect the change in eligibility criteria. The DSS regularly promulgates rules and updates related documents, so the fiscal impact for these items would be minimal.

The DSS currently requires a similar degree of cooperation with the Division of Child Support as a condition of eligibility for the Temporary Assistance for Needy Families (TANF) program. From experiences with the cooperation requirement for TANF, the department estimates extending the cooperation requirement to SNAP would not result in significant changes to ongoing administrative costs.

Requiring SNAP applicants to cooperate with the Division of Child Support as a condition of eligibility would require one-time changes to information systems in the Division of Child Support and in the Division of Economic Assistance. Estimates from the state Bureau of Information and Telecommunications (BIT) indicate these upgrades would require 4,850 hours of programmer development time and would cost \$335,000. Because the federal government participates in the administrative costs of these programs, the information systems upgrades would be partially paid for by federal funds. The resulting one-time costs would be \$119,000 in state general funds and \$215,000 in federal funds paid by the Division of Child Support and the Division of Economic Assistance.

However, if no additional positions are added to the BIT budget to account for this work, there would likely be no added cost to the state. Since the BIT programmers who would likely do this work are already assigned to and perform programming for the DSS, there would be no need to appropriate any additional monies. The only "cost" would be the opportunity cost of 4,850 hours of other DSS project work, which would be temporarily delayed.

APPROVED BY: /S/ Jason Hancock, LRC Director DATE: 3/2/2017