

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: HB 2305

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Orrock, Robert D. Sr.

3. Committee: Health, Welfare and Institutions

4. Title: Secretary of Health and Human Resources; certain waivers under the Supplemental Nutrition Assistance Program

5. Summary: The proposed legislation prohibits the Secretary of Health and Human Resources from applying for, accepting, or renewing any statewide or local waivers pursuant to 7 C.F.R. §273.24 of the eligibility requirements for participation in the Supplemental Nutrition Assistance Program (SNAP).

6. Budget Amendment Necessary: See Item 8.

7. Minimal Fiscal Impact

8. Fiscal Implications: This legislation intends eliminate the use of certain eligibility waivers, specifically work requirements and time limits for able-bodied adults, of the SNAP (previously Food Stamp) program. The bill's prohibition is placed on the Secretary of Health and Human Resources as opposed to the Department of Social Services and Board of State Services both of which have the state responsibility as provided in Code of Virginia (§63.2-801, Code of Virginia) and Appropriation Act (Item 352, Chapter 780 Virginia Acts of Assembly) language. While the Secretary could place a directive on DSS to not pursue any new waivers or renewals; it is unclear as to whether the department or board would be able to legally comply. Therefore, it is unclear as to which aspects of the current waivers, if any would exist after passage of this bill.

DSS estimates that the current waiver of 7 C.F.R. §273.24 exempts approximately 28,200 people, who receive an average SNAP benefit of \$118.79 per month, or approximately \$40.2 million annually. However, these SNAP benefits are entirely funded with federal dollars which are directly paid to financial institutions, who in turn provide the SNAP assistance to recipients through Electronic Benefit Transaction (EBT) cards. No funding for SNAP payments is appropriated in the Appropriation Act; therefore, the expected reduction in benefits will not impact the state budget. The only expected impact on the Department of Social Services' (DSS) budget is associated with the SNAP EBT contract that is administered by the agency. A small increase in pricing costs due to the caseload decrease is expected to be roughly offset by decreased transactional costs.

9. Specific Agency or Political Subdivisions Affected:
Department of Social Services

10. Technical Amendment Necessary: None

11. Other Comments: This bill is a companion to SB 1482.

Date: 1/19/17