

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 25, 2013

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1101 by Raymond (Relating to allowable food purchases under the supplemental nutrition assistance program.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>

The bill would require the executive commissioner of the Health and Human Services Commission to develop and seek a waiver for the United States Secretary of Agriculture to restrict the purchase of food items with minimal nutritional value under the supplemental nutrition assistance program (SNAP) by aligning the list of allowable foods with the allowable food purchases under the national free or reduced-lunch program and restricting the purchase of food items considered to have minimal nutritional value under the national free or reduced-lunch program.

The bill would require the executive commissioner to apply for the waiver as soon as practicable. The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house. If not, the bill would take effect September 1, 2013.

Federal law, Title 7, United States Code, Chapter 51, Section 2012(k), and Title 7, Code of Federal Regulations, Section 271.2, define eligible foods as "any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption." Federal law also requires that retailers accept Electronic Benefit Transfer (EBT) cards from all states and jurisdictions. Food and Nutrition Services (FNS) has not allowed any state to restrict allowable food purchases beyond the eligible food items defined by Congress.

Based on the analysis of HHSC, it is anticipated that additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, CL, ES, VJC