

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 29, 2019**

**TO:** Honorable James B. Frank, Chair, House Committee on Human Services

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB285** by Springer (Relating to work requirements and employment and training services for certain persons receiving benefits under the supplemental nutrition assistance program.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB285, Committee Report 1st House, Substituted: a negative impact of (\$784,000) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	(\$392,000)
2021	(\$392,000)
2022	(\$392,000)
2023	(\$392,000)
2024	(\$392,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>	<b>Probable Savings/(Cost) from Federal Funds 555</b>
2020	(\$392,000)	(\$392,000)
2021	(\$392,000)	(\$392,000)
2022	(\$392,000)	(\$392,000)
2023	(\$392,000)	(\$392,000)
2024	(\$392,000)	(\$392,000)

## **Fiscal Analysis**

The bill would amend Chapter 33 of the Human Resources Code to prohibit the Health and Human Services Commission (HHSC) from requesting to waive or exempt certain supplemental nutrition assistance program (SNAP) recipients, known as able-bodied adults without dependents (ABAWD), from federal work requirements associated with program participation.

The bill would require HHSC, in conjunction with the Texas Workforce Commission (TWC), to ensure that certain SNAP recipients receive services through the SNAP employment and training program (SNAP E&T).

## **Methodology**

This analysis assumes that implementing the provisions of the bill would cost \$392,000 in General Revenue and \$784,000 in All Funds in fiscal year 2020 and every year thereafter.

This analysis assumes that HHSC, in conjunction with TWC, will ensure that all ABAWDs receive services through SNAP E&T. TWC anticipates that serving all ABAWDs in SNAP E&T would require them to outreach an additional 13,836 individuals each year. TWC estimates that 11.33 percent of those individuals will respond and participate in services each year based on the response rate from board contract year 2018. TWC anticipates that serving these 1,568 individuals at a cost of \$500.00 per participant would cost \$784,000 each year. This analysis assumes that the state would be reimbursed for 50 percent of these costs by the federal U.S. Department of Agriculture (USDA).

TWC indicates that the state does not currently have a waiver related to ABAWD work requirements and there is no fiscal impact for implementing the provision of the bill prohibiting HHSC from seeking a waiver. The state will exempt an estimated 13,836 ABAWDs from work requirements in fiscal year 2019, according to TWC. The provision of the bill prohibiting HHSC from exempting these individuals from work requirements puts additional ABAWDs at risk of losing SNAP benefits if they are not able to meet the requirements.

HHSC indicates that there would be no costs associated with implementing the provisions of the bill.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 529 Health and Human Services Commission

**LBB Staff:** WP, ADe, AKi, ER