

## **BILL ANALYSIS**

C.S.H.B. 1287  
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Human Services  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Inflation is making it increasingly difficult for many Texas families to afford food. SNAP ensures that qualifying individuals in low-income households are able to purchase food, but eligibility for SNAP benefits in Texas is determined in part by calculating the total value of a household's resources, including motor vehicles. Current law excludes a portion of a motor vehicle's fair market value from a SNAP applicant's household resources for purposes of determining the applicant's eligibility for the benefits, but inflation-caused increases in motor vehicle values mean that the maximum amount that may be excluded no longer reflects market realities for Texas households. C.S.H.B. 1287 seeks to address this issue by providing for a one-time inflationary adjustment of this maximum amount of a motor vehicle's fair market value that may be excluded from a SNAP applicant's household resources for the upcoming state fiscal biennium and provides a process for the Health and Human Services Commission and the Legislative Budget Board to determine whether subsequent inflationary adjustments are appropriate.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 1287 amends the Human Resources Code to require the executive commissioner of the Health and Human Services Commission (HHSC), not later than August 1 of each odd-numbered year, to determine whether the maximum amount of a motor vehicle's fair market value that may be excluded from an applicant's household resources for purposes of determining the applicant's eligibility for SNAP benefits should be adjusted for inflation and, if the executive commissioner determines that amount should be adjusted, submit to each member of the Legislative Budget Board (LBB) a recommendation for the adjustment for the state fiscal biennium beginning September 1 of that odd-numbered year. The bill requires the LBB, not later than September 1 of the odd-numbered year in which the LBB members receive a recommendation, to approve or deny the recommendation and provide written notice to the executive commissioner of the approval or denial. The recommendation is considered approved if the LBB does not provide the notice on or before that date. If the LBB denies the recommendation, the maximum amount of a motor vehicle's fair market value that may be excluded from an applicant's household resources remains the same as the amount excluded during the preceding state fiscal biennium. If the LBB approves the recommendation, the bill requires HHSC, not later than October 1 of the odd-numbered year for which the recommendation was made, to increase or decrease for that state fiscal biennium beginning September 1 of that year the maximum amount of a vehicle's fair market value that may be excluded from an applicant's household resources to reflect the percentage difference between the following:

- the average index level set by the U.S. Bureau of Labor Statistics; and
- the new vehicles index of the Consumer Price Index for All Urban Consumers (CPI-U) during the most recent 12-month period ending in June.

The bill requires HHSC to ensure that the adjusted maximum excluded amounts of the first household vehicle and each additional household vehicle remain proportionate to each other in the same proportion as the excluded amounts for those vehicles in effect on August 31, 2021.

C.S.H.B. 1287 adds temporary provisions set to expire September 1, 2025, establishing that the executive commissioner is not required to make a determination or recommendation under the bill until August 1, 2025, for the 2026-2027 state fiscal biennium and requiring HHSC, notwithstanding the bill's provisions and not later than October 1, 2023, to adjust for the 2024-2025 state fiscal biennium the maximum amount of a motor vehicle's fair market value for inflation in the manner specified by the bill for purposes of determining an applicant's eligibility for SNAP benefits. In calculating this maximum amount, HHSC must comply with the bill's requirement relating to ensuring the proportionality of the maximum excluded amounts.

C.S.H.B. 1287 applies to an initial determination or recertification of a person's SNAP eligibility that is made on or after the bill's effective date. The bill provides for the delayed implementation of any provision for which an applicable state agency determines a federal waiver or authorization is necessary for implementation until the waiver or authorization is requested and granted.

### **EFFECTIVE DATE**

September 1, 2023.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 1287 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

While both the introduced and the substitute provide for an inflation adjustment on the maximum amount of a motor vehicle's value for purposes of SNAP eligibility, the substitute revises that provision in the following manner:

- whereas the introduced required the executive commissioner by rule to make the adjustment, the substitute requires the executive commissioner instead to make a determination regarding whether that amount should be adjusted for inflation, submit a recommendation to the LBB, which must either approve or deny the recommendation, and then make the adjustment if approved;
- whereas the introduced provided for an annual adjustment for inflation, the inflation adjustment provided by the substitute is for each state fiscal biennium; and
- the substitute includes temporary provisions that were not in the introduced establishing that the executive commissioner is not required to make that determination or recommendation until August 1, 2025, and requiring HHSC to make the adjustment in the manner specified by the bill not later than October 1, 2023, for the 2024-2025 state fiscal biennium.