

**NOTICE OF INTENT**

**Department of Children and Family Services**

**Family Support**

**Electronic Benefits Issuance System**

**(LAC 67:III.403)**

In accordance with the provisions of the Administrative Procedure Act R.S. 49:953(A), the Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 1 General Administrative Procedures, Chapter 4 Electronic Benefits Issuance System, Section 403 Cash Benefits.

Pursuant to the authority granted to the department by the Food and Nutrition Services (FNS), the department is amending Section 403 to eliminate the dormancy period for inactive Electronic Benefits Transfer (EBT) benefits. This change will give cardholders longer access to inactive benefits and eliminate the notices to clients regarding dormant benefits.

**Title 67**

**SOCIAL SERVICES**

**Part III. Family Support**

**Subpart 1. General Administrative Procedures**

**Chapter 4. Electronic Benefits Issuance System**

**§403. Cash Benefits [Formerly §402]**

**A. ...**

**B.** Benefits are delivered in this manner for households certified on an on-going basis. Benefits can accumulate but are accounted for according to the month of availability and will be withdrawn on a first-in-first-out basis. Each month's benefits with no activity by the client for a period of ~~180~~ 365 days from the date of availability will be ~~moved to dormant status~~. These ~~benefits can be returned to active status at the local Office of Family Support offices upon request of the head of household or~~

~~upon reapplication for assistance if the case is in inactive status. Benefits that remain in dormant status for a period of 185 days will be expunged and will not be available to the household after expungement. FITAP benefits which have been expunged may be reauthorized for availability if the recipient has good cause for not having accessed them during the original availability period.~~

AUTHORITY NOTE: Promulgated in accordance with 7 CFR 272.3(c)(1)(ii) and P.L. 104-193, P.L. 110-246.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 24:1322 (July 1998) amended LR 33:1878 (September 2007), repromulgated LR 33:2203 (October 2007), LR 35:689 (April 2009), amended by the Department of Children and Family Services, Systems Unit, LR 43:

#### **Family Impact Statement**

The proposed rule is not anticipated to have an adverse impact on family formation, stability, and autonomy as described in R.S. 49:972.

#### **Poverty Impact Statement**

The proposed rule is not anticipated to have an impact on poverty as described in R.S. 49:973.

#### **Small Business Impact Statement**

The proposed rule is not anticipated to have an adverse impact on small businesses as defined in the Regulatory Flexibility Act.

#### **Provider Impact Statement**

The proposed rule is not anticipated to have an impact on providers of services funded by the state as described in HCR 170 of the 2014 Regular Legislative Session.

#### **Public Comments**

**Pursuant to RS 49:983 the Office of the State Register may make technical changes to proposed rule submissions in preparing the Louisiana Register and Louisiana Administrative Code.**

All interested persons may submit written comments through, November 28, 2017 to Sammy Guillory, Deputy Assistant Secretary of Family Support, Department of Children and Family Services, P.O. Box 94065, Baton Rouge, LA 70804.

**Public Hearing**

A public hearing on the proposed Rule will be held on November 28, 2017 at the Department of Children and Family Services, Iberville Building, 627 North Fourth Street, Seminar Room 1-129, Baton Rouge, LA beginning at 10:00 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Individuals with disabilities who require special services should contact the DCFS Appeals Unit at least seven working days in advance of the hearing. For assistance, call 225-342-4120 (Voice and TDD).

Marketa Garner Walters  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

Person Preparing Statement:	<u>Michael Morris</u>	Department:	<u>Children and Family Services</u>
Phone:	<u>(225) 342-3535</u>	Office:	<u>Systems Section</u>
Return Address:	<u>627 N. 4th St., P.O. Box 94065 Baton Rouge, LA 70804</u>	Rule Title:	<u>Electronic Benefits Issuance System</u>
		Date Rule Takes Effect:	<u>February 1, 2018</u>

**SUMMARY**

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

**I. Estimated Implementation Costs (Savings) to State or Local Governmental Units (Summary)**

The proposed rule change eliminates the dormancy period for inactive Electronic Benefits Transfer (EBT). Therefore, if a client does not use benefits within 365 days of availability, then benefits for that time period are expunged.

Currently, if a client does not use Family Independence Temporary Assistance (FITAP) benefits within 180 days of availability, then benefits are placed in a dormant status for up to 185 days and can only be reactivated upon request of the client. After 185 days, the benefits are expunged.

It is anticipated that Louisiana Department of Children and Family Services (DCFS) will incur a one time cost in FY 18 of \$320 associated with the publication fee of the proposed rule change. This one time cost will be offset by an estimated \$12,060 in savings in FY 18 and \$24,120 in savings in FY 19 and future fiscal years. The estimated savings result from eliminating the need for the department to send client notices regarding dormant benefits.

**II. Estimated Effect on Revenue Collections of State or Local Governmental Units (Summary)**

The proposed rule change will not affect state or local governmental revenue collections.

**III. Estimated Costs and/or Economic Benefits to Directly Affected Persons or Non-Governmental Groups (Summary)**

This proposed rule change may have an economic impact to FITAP clients whose benefits are not used within 365 days. Currently, DCFS sends the client up to two notifications if benefits are in a dormant status. This notification gives the client the opportunity to request that benefits are reactivated before the benefits are expunged. Under the proposed rule change, clients will not receive notification that their unused benefits are still available. This lack of notification may result in a client being unaware that the benefits are available before it is expunged.

**IV. Estimated Impact on Competition and Employment (Summary)**

The proposed rule change does not affect competition and/or employment.

---

Signature of Agency Head  
or Designee

Date

---

LEGISLATIVE FISCAL OFFICER  
OR DESIGNEE

---

Sammy Guillory, Deputy Assistant Secretary of Family  
Support

---

Typed Name and Title of Agency Head

---

DATE OF SIGNATURE



**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberations on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated)

Currently Electronic Benefits Transfer (EBT) SNAP and TANF benefits with no activity by the client for 180 days are moved to dormant status. The client may have benefits reactivated by the Department of Children and Family Services upon request. Benefits that remain in dormant status for an additional 185 days are expunged. The change would allow benefits with no activity to remain available to the client for 365 days and then would be expunged unless the account was to show activity within that 365 day period.

- B. Summarize the circumstances which require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

The change is allowed under current regulations. This is a cost saving measure for the department since clients must receive notification of benefit dormancy as well as benefit reinstatement. Eliminating the dormancy period means that the department can eliminate these two client notices.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

There will be no increase in the expenditure of funds.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a)        Yes. If yes, attach documentation.

(b) \_x\_ No. If no, provide justification as to why this rule change should be published at this time.

The cost of publishing rulemaking is routinely included in the department's annual operating budget appropriated by the Legislature.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**I. A. Costs or Savings to State Agencies Resulting from the Action Proposed**

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

<b>Costs</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>
Personal Services	\$0	\$0	\$0
Operating Expenses	\$ (11,740)	\$(24,120)	\$(24,120)
Professional Services	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
Total	\$ (11,740)	\$(24,120)	\$(24,120)
Positions (#)	0	0	0

\*

2. Provide a narrative explanation of the costs or savings shown in "A.1.," including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The department prints and mails approximately 3,000 related notices per month. The cost for printing, inserting, and sorting 3,000 of these notices monthly, using the PSS FY 2018 rates will be \$840.00. The estimated monthly cost of postage, based on an average cost of \$0.39 per notice, is \$1,170.00. If DCFS eliminates the printing and mailing of these notices, the estimated annual savings will be \$24,120.00 for Fiscal Years 2018-2019 and forward. The fiscal year 2017-2018 costs are \$320 for Rulemaking publication and a savings of \$12,060 (for half of the 2017-2018 fiscal year).

3. Sources of funding for implementing the proposed rule or rule change.

<b>Source</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>
State General Fund	\$160	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Federal Funds	\$160	\$0	\$0
Dedicated	\$0	\$0	\$0
Other (Specify)	\$0	\$0	\$0
Total	\$320	\$0	\$0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

The department currently has sufficient funds to cover the cost of publishing rulemaking.

**B. Cost or Savings to Local Governmental Units Resulting from the Action Proposed**

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There are no estimated costs or savings to local governmental units resulting from this rule.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these cost or savings.

The proposed rule will have no impact on local governmental units.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**II. Effect on Revenue Collections of State and Local Governmental Units**

- A. What increase (decrease) in revenues can be anticipated from the proposed action?

<b>Revenue Increase/Decrease</b>	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>
State General Fund	\$0	\$0	\$0
Agency Self-Generated			
Dedicated Funds *			
Federal Funds			
Local Funds			
Total	\$0	\$0	\$0

\*Specify the particular fund being impacted.

- B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

There will be no increase or decrease in revenues.

**III. Costs and/or Economic Benefits to Directly Affected Persons or Non-governmental Groups**

- A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Electronic Benefits Transfer (EBT) cardholders with SNAP or TANF benefits would have access to their inactive benefits for a longer period of time prior to expungement.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

This proposed rule will not have a significant impact on receipts and/or income.

**IV. Effects on Competition and Employment**

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There is no anticipated impact on competition and employment in the public or private sectors.