

NOTICE OF INTENT

Department of Children and Family Services

Economic Stability

Supplemental Nutrition Assistance Program (SNAP) - Electronic  
Benefits Issuance System

(LAC 67:III.401 and 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 the *Louisiana Administrative Code* (LAC), Title 67, Part III Economic Stability.

Pursuant to the authority granted to the department by the Food and Nutrition Act of 2008 in accordance with federal regulations for the Supplemental Nutrition Assistance Program (SNAP) in 7 CFR, the department considers these amendments necessary to clarify or adopt rules that govern the Supplemental Nutrition Assistance Program.

LAC 67:III, Subpart 1 General Administrative Procedures, Section 401 is being amended to update the name of the Food Stamp Program to the Supplemental Nutrition Assistance Program (SNAP). Section 403 is being amended to update the name of the Food Stamp Program to the Supplemental Nutrition Assistance Program and to change the number of days when SNAP benefits are issued each month.

Title 67

SOCIAL SERVICES

Part III. Economic Stability

Subpart 1. General Administrative Procedures

Chapter 4. Electronic Benefits Issuance System

§401. Electronic Benefits Transfer (EBT)

A. ~~The Office of Family Support utilizes Economic~~  
Stability programs utilize an electronic benefits issuance system referred to as Electronic Benefits Transfer (EBT) that

allows eligible individuals and households to have their governmental benefits deposited into an account to pay for products purchased or to obtain authorized cash payments. Programs that utilize the EBT are Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and ~~Feed-Stamp~~ Supplemental Nutrition Assistance Program (SNAP) Benefits.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:450.1, 7 CFR 274.12 and 45 CFR 95(F). Section 404(g) of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 22:1231 (December 1996), amended LR 23:869 (July 1997), LR 33:1878 (September 2007), repromulgated LR 33:2203 (October 2007), amended by the Department of Children and Family Services, Economic Stability Section, LR 46:

**§403. Cash Benefits**

[Formerly §402]

A. Cash benefits and ~~Feed-Stamp~~ Supplemental Nutrition Assistance Program (SNAP) benefits shall be available through EBT in staggered cycles to on-going households beginning on the first day of each month. The last digit of the Social Security number determines the date that benefits are issued. Cash benefits will be available within the first five days of each month. ~~Feed-stamp~~ SNAP benefits will be available within the first ~~14-23~~ days of each month. ~~Feed-stamp~~ SNAP cases that contain elderly or disabled persons will have benefits available during the first four days of each month. Other issuance authorizations will be posted to the EBT account the day after they are authorized except in emergency circumstances in which case benefits will be available on the same day.

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 365 days from the date of availability 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, Division of Family Support, LR 44:23 (January 2018), amended by the Department of Children and Family Services, Economic Stability Section, LR 46:

#### **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. The amount of costs or savings due to these changes are indeterminate.

#### **Poverty Impact Statement**

The proposed rule is not anticipated to have a significant negative 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**

All interested persons may submit written comments through, October 27, 2020, to Shavana Howard, Assistant Secretary of Family Support, Department of Children and Family Services, P.O. Box 94065, Baton Rouge, LA 70804.

**Public Hearing**

A virtual public hearing on the proposed rule will be held at 10:00 a.m. on October 27, 2020, by the Department of Children and Family Services. All interested persons will be afforded an opportunity to submit data, views, or arguments via PC, Mac, Linux, iOS or Android at

<https://stateofladcfs.zoom.us/j/97697236896?pwd=JXVuY1QrWjBnSjNRQUFDUtrSmRoZz09> using password 672290; or via telephone by dialing (713)353-0212 and entering conference code 848054. To find local AT&T numbers visit

<https://www.teleconference.att.com/servlet/glbAccess?process=1&ccessNumber=7133530212&accessCode=848054>. 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>Allison Rigsby</u>	Department:	<u>Children and Family Services</u>
Phone:	<u>(225) 342-2530</u>	Office:	<u>Economic Stability</u>
Return Address:	<u>627 N. 4th St., P.O. Box 94065 Baton Rouge, LA 70804</u>	Rule Title:	<u>Supplemental Nutritional Assistance Program (SNAP) – Electronic Benefits Issuance System</u>
		Date Rule Takes Effect:	<u>January 1, 2021</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)**

As a result of the rule change, the Department of Children and Family Service (DCFS) anticipates spending \$75,260 (50% SGF and 50% Federal) in FY 21 to make programming changes to its computer systems. Additionally, DCFS will incur \$852 (50% SGF and 50% Federal) in the expenses associated with the publication of this proposed rule change.

The proposed rule change makes technical updates by changing the name of the Food Stamp program to the Supplemental Nutrition Assistance Program (SNAP). This rule also provides that SNAP benefits will be made available to SNAP recipients within the first 23 days of each month, instead of the first 14 days.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

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

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)**

During the first month of implementation, SNAP recipients may be delayed in receiving their monthly benefits for up to 9 days. After the first month, benefits will be made available to recipients on a regularly set date between the 1<sup>st</sup> and 23<sup>rd</sup> of the month.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

Implementation of this proposed rule is not expected to have an effect on competition and employment.

\_\_\_\_\_  
Signature of Agency Head  
or Designee

\_\_\_\_\_  
Date

\_\_\_\_\_  
LEGISLATIVE FISCAL OFFICER  
OR DESIGNEE

\_\_\_\_\_  
Shavana Howard, Assistant Secretary of Family Support  
Typed Name and Title of Agency Head

\_\_\_\_\_  
DATE OF SIGNATURE

\_\_\_\_\_  
DCFS Undersecretary

**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)

The Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 1 General Administrative Procedures. Chapter 4, Sections 401 and 403 are being amended to update the Food Stamp program's name to the Supplemental Nutrition Assistance Program (SNAP) and to change the number of days when SNAP benefits are issued each month.

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

Action is required in this matter based on the recommendations of the task force authorized by Act 533 of the 2014 Louisiana Regular Session, which studied electronic benefit disbursements made by the Department of Children and Family Services, to maximize administrative efficiency in delivery of food assistance to eligible children and families.

- 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.

Yes. It is anticipated that the implementation of the proposed revisions will result in an estimated programmatic cost to the state of approximately \$75,260 for FY20 (\$37,260 in Federal - SNAP and \$37,260 in State General Funds). The source of funding is the Supplemental Nutritional Assistance Program (SNAP) and State General Funds. SNAP benefits are 100% Federal funds and have no direct cost or savings to the State. These programmatic costs are a one-time fee estimated by the Electronic Benefits Transfer (EBT) vendor to update their system's Interactive Voice Response messaging and printed materials which will inform clients of the changes upon implementation.

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

Although the proposed revisions will result in a one-time increase in the expenditure of state general funds for programmatic costs, these costs will be funded using the department's annual operating budget appropriated by the Legislature for the SNAP program. The administrative 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 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>
Personal Services	\$0	\$0	\$0
Operating Expenses	\$852 (rulemaking)	\$0	\$0
Professional Services	\$75,260 (programmatic cost)	\$0	\$0
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
<b>Total</b>	<b>\$76,112</b>	<b>\$0</b>	<b>\$0</b>
<b>Positions (#)</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

It is anticipated that the implementation of the proposed revisions will result in an estimated programmatic cost to the state of approximately \$75,260 for FY20 (\$37,630 in Federal - SNAP and \$37,630 in State General Funds). The source of funding is the Supplemental Nutritional Assistance Program (SNAP) and State General Funds. SNAP benefits are 100% Federal funds and have no direct cost or savings to the State. These programmatic costs are a one-time fee estimated by the Electronic Benefits Transfer (EBT) vendor to update their system's Interactive Voice Response messaging and printed materials which will inform clients of the changes upon implementation.

The only cost associated with this rule is the cost of publishing rulemaking which is estimated to be approximately \$852 (\$426 Federal - SNAP and \$426 State General Funds) in State Fiscal Year 2020-2021.

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

<b>Source</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>
State General Fund	\$38,056 (rulemaking and cost)	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Federal Funds	\$38,056 (rulemaking and cost)	\$0	\$0
Dedicated	\$0	\$0	\$0
Other (Specify)	\$0	\$0	\$0
<b>Total</b>	<b>\$76,112</b>	<b>\$0</b>	<b>\$0</b>

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

Yes. The proposed revisions will result in a one-time increase in the expenditure of federal and state general funds for programmatic costs, these costs will be funded using the department's annual federal SNAP funding and state operating budget appropriated by the Legislature for the SNAP program.

The only other cost associated with this rule is the cost of publishing rulemaking which is estimated to be approximately \$852 (\$426 Federal - SNAP and \$426 State General Funds) in State Fiscal Year 2020-2021. The department 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.

There will be 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 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>
State General Fund	\$0	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated Funds *	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*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.

Implementation of this rule will have no effect on state or local revenue collections.

**III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS**

A. What persons, small businesses, 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.

As a result of this rule change, SNAP recipients may be delayed in receiving their monthly benefits for up to 9 days.

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 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.

This rule will not have a significant impact on competition for employment in the public and private sectors.