

NOTICE OF INTENT

Department of Children and Family Services

Economic Stability

Expungement of Unused Benefits

(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 Act of 2008 in accordance with federal regulations for the Supplemental Nutrition Assistance Program (SNAP) in 7 CFR and Louisiana's Temporary Assistance for Needy Families (TANF) Block Grant, the department considers this amendment necessary to update rules that govern Economic Stability programs.

Section 403 is being amended to update Electronic Benefits Transfer (EBT) expungement timeframes of unused benefits from 12 months to nine months for Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and Supplemental Nutrition Assistance Program (SNAP).

These changes are mandated in accordance with the Agriculture Improvement Act of 2018 (2018 Farm Bill), which made additional mandatory changes to the provisions of the Food, Conservation and Energy Act of 2008, PL 110-234 (2008 Farm Bill) governing the expungement of unused benefits. State agencies must expunge unused benefits after nine months (rather than 12 months).

Title 67

SOCIAL SERVICES

Part III. Economic Stability

Subpart 1. General Administrative Procedures

Chapter 4. Electronic Benefits Issuance System

§403. Cash Benefits [Formerly §402]

A. Cash benefits and 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. SNAP benefits will be available within the first 23 days of each month. 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~~ 274 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 46:1669 (December 2020), effective January 1, 2021, LR 47:

Family Impact Statement

The proposed rule is not anticipated to have a significant 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 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, June 28, 2021, 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 June 28 2021, 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/81987688422>; via telephone by dialing (713) 353-0212 and entering conference code 430033. To find local AT&T numbers visit

<https://www.teleconference.att.com/servlet/glbAccess?process=1&accessNumber=USA7133530212&accessCode=430033>. 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

4/16/21

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

Person Preparing Statement:	<u>Allison Rigsby</u>	Department:	<u>Children and Family Services</u>
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Return Address:	<u>627 N. 4th St., P.O. Box 94065 Baton Rouge, LA 70804</u>	Rule Title:	<u>Expungement of Unused Benefits</u>
		Date Rule Takes Effect:	<u>August 20, 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 Services (DCFS) anticipates spending \$20,000 (50% Federal and 50% General Fund) to make programming changes to its computer systems. Additionally, DCFS will incur \$852 (50% Federal and 50% General Fund) in the expenses associated with the publication of this proposed rule change.

The proposed rule amends LAC 67:III, Subpart 1 General Administrative Procedures, Chapter 4 Electronic Benefits Issuance System, Section 403 Cash Benefits to update electronic benefits transfer (EBT) expungement timeframes of unused benefits from 12 months to 9 months for Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and Supplemental Nutrition Assistance Program (SNAP). This update is being proposed in accordance with the federal mandate provided in the Agriculture Improvement Act of 2018.

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)

The proposed change will impact recipients of electronic benefits from FITAP, KCSP, or SNAP that take longer than 9 months to use their benefits. Under current rule, unused benefits are expunged after 12 months. Proposed rule reduces this period to 9 months.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

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

Shavana Howard

Digitally signed by Shavana Howard
DN: c=US, o=Department of Children and Family Services, ou=Division of Family Support, email=Shavana.Howard@dcfs.la.gov, cn=Shavana Howard

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

5/10/21
DATE OF SIGNATURE

Eric Horvath

Secretary

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 67:11, Subpart 1 General Administrative Procedures, Chapter 4 Electronic Benefits Issuance System, Section 403 Cash Benefits to update Electronic Benefits Transfer (EBT) expungement timeframes of unused benefits from 12 months to nine months for Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and Supplemental Nutrition Assistance Program (SNAP).

- 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 to comply with the Agriculture Improvement Act of 2018 (2018 Farm Bill).

- 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. The Department of Children and Family Service (DCFS) anticipates spending \$20,000 (50% Federal and 50% General Fund) to make programming changes to its computer systems. Additionally, DCFS will incur \$852 (50% Federal and 50% General Fund) in the expenses associated with the publication of this proposed rule change.

- (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.

These costs will be funded using the department's annual operating budget appropriated by the Legislature for the SNAP and TANF programs. 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?

Costs	FY 21	FY 22	FY 23
Personal Services	\$0	\$0	\$0
Operating Expenses	\$852 (rulemaking)	\$0	\$0
Professional Services	\$20,000 (programmatic cost)	\$0	\$0
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
Total	\$20,852	\$0	\$0
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.

In FY 21, this measure is anticipated to increase the professional services expense of the Department of Children and Family Services (DCFS) by an estimated programmatic cost to the state of approximately \$20,852 for FY 22. These programmatic costs include a one-time fee of \$20,000 to update its computer system. The only other cost associated with this rule is the cost of publishing rulemaking, which is estimated to be approximately \$852.

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

Source	FY 21	FY 22	FY 23
State General Fund	\$10,426	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Dedicated	\$10,426	\$0	\$0
Other (Specify)	\$0	\$0	\$0
Total	\$20,852	\$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?

Yes.

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?

Revenue Increase/Decrease	FY 21	FY 22	FY 23
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
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.

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.

The proposed change will impact recipients of electronic benefits from FITAP, KCSP, or SNAP that take longer than 9 months to use their benefits. Under current rule, unused benefits are expunged after 12 months. Proposed rule reduces this period to 9 months.

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.