



SF 305 – Child Support Collection, Food Stamps (LSB1958SV.1)
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Fiscal Note Version – As amended and passed by the Senate

Description

Senate File 305 as amended and passed by the Senate requires, as a condition of eligibility for the Supplemental Nutrition Assistance Program (SNAP), that an individual who is a delinquent child support obligor cooperate with the Child Support Recovery Unit (CSRU) in establishing and enforcing a child support order pursuant to federal law.

Assumptions

- There are 19,834 obligors who are also currently receiving SNAP who would be referred to the CSRU to verify if they are in arrears or in noncooperation. This would require five minutes per referral twice per year, requiring an additional 2.0 Income Maintenance Worker 2 FTE positions.
- There are 28,268 child support cases belonging to the 19,834 obligors. The CSRU would review each case twice per year to verify cooperation at 30 minutes per case. This would require an additional 18.0 Support Recovery Officer FTE positions.
- It is estimated that there will be 100 individuals referred to SNAP twice per year for noncooperation. The Department of Human Services (DHS) will cover this increase with existing SNAP staff. The CSRU will cover this increase with the increased staff listed above.
- A 2.0% increase in salary and benefits costs is estimated in the second year.
- There will be one-time implementation costs for changes to the Iowa Collection and Reporting (ICAR) System to accept SNAP referrals and track and store information related to these cases. There will also be one-time costs associated with changing forms, employee manuals and training materials, and amending administrative rules.
- There will be a one-time cost associated with updating income maintenance systems to create a new interface with the CSRU to exchange information on members who are not cooperating. These changes are estimated to take 1,238 hours at \$105 per hour.
- The match rate is 33.82% federal and 66.18% State for DHS Field Operations, 66.00% federal and 34.00% State for CSRU, and 62.11% federal and 37.89% State for the one-time implementation costs.

Fiscal Impact

Senate File 305 as amended and passed by the Senate is estimated to increase the DHS annual operating costs by \$628,000 in FY 2020 and \$434,000 in FY 2021 and subsequent years. The increase for FY 2020 includes \$202,000 in one-time costs. Details of the increase in FTE positions and other costs are listed in **Table 1** below.

Table 1
SNAP — Child Support Recovery Unit Fiscal Impact

Job Classification	FY 2020				FY 2021			
	FTEs	Salary & Benefits	Total Cost	State Share	FTEs	Salary & Benefits	Total Cost	State Share
Support Recovery Officers	18.0	\$57,214	\$1,029,852	\$ 350,150	18.0	\$58,358	\$1,050,449	\$ 357,153
Income Maintenance Worker 2	2.0	57,214	114,428	75,728	2.0	58,358	116,717	77,243
Total	20.0		\$1,144,280	\$ 425,878	20.0		\$1,167,166	\$ 434,396
Other Activities	Hours	Cost	Total Cost	State Share	Cases	Cost	Total Cost	State Share
Computer Systems Updates	1,238	\$105.00	129,990	65,000				
One-Time Implementation Costs			404,198	137,427				
Total CSRU Activities			\$ 534,188	\$ 202,427			\$ -	\$ -
Total SNAP — CSRU Increased Cost			\$1,678,468	\$ 628,305			\$1,167,166	\$ 434,396

*Totals may not sum due to rounding.

Sources

Department of Human Services

/s/ Holly M. Lyons

April 2, 2019

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
