

<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	1999 Session
FISCAL ESTIMATE DOA-2048 N(R10/94)	LRB or Bill No. -- Adm. Rule No. SB37 --1002/1
Subject W-2, FOOD STAMPS	Amendment No. if Applicable

Fiscal Effect

State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
---	--

Local: <input checked="" type="checkbox"/> No local government costs 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
--	--	---

Fund Sources Affected: <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	Affected Ch. 20 Appropriations:
--	--

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department to request a waiver from the federal government, as allowed under federal law, to waive work requirements under the Food Stamp Employment and Training (FSET) program for individuals who live in areas that: 1) have an unemployment rate over 10% or 2) have an insufficient number of jobs to provide employment for the individuals. If the waiver is granted, this bill requires the Department to implement this waiver. Under Section 1001 of the Balanced Budget Act of 1997, the state is currently permitted to exempt up to 15% of able bodied adults without dependent children (ABAWDs) from participating in the FSET program.

This bill would have no fiscal impact on the Department. The Department contracts with Wisconsin Works (W-2) agencies for the provision of FSET services to eligible individuals. W-2 agencies provide these services as part of their W-2 allocations. To the extent individuals are exempt from participation in FSET, funds within the contract can be expended on other individuals served by the agency.

Currently there are no counties in the state with an unemployment rate above 10%. As of December 1998, the highest unemployment rate for a county was 8.4% in Price County. The unemployment rate for Milwaukee County was 3.5% in December 1998, and neither Milwaukee County or City meets the definition normally used for an area that has insufficient number of jobs to provide employment for individuals in the program. Thus, if counties were used as the defined area for determining exemptions based on unemployment rates, there would not be any individuals exempt due to high unemployment.

The Department estimates that there are approximately 5,100 individuals participating in FSET. If unemployment rates were to rise enough in any of the areas to trigger the proposed exemptions, the provision could extend the amount of time the affected individuals within those areas receive federal food stamps. This would result in increased federal costs for the benefits themselves, which are 100% federally funded, and may also increase the administrative costs of food stamp issuance, which is shared equally between the state and federal government. However, funding for these activities is currently in the county income maintenance contracts.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.) DWD / Nikolay, Bob (266-9475)	Authorized Signature/Telephone No. 	Date 02/25/99
--	---	-------------------------

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect DOA-2047(R10/94)	<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Updated	LRB or Bill No./Adm Rule No. SB37 / 1002/1	Amendment No.
	<input type="checkbox"/> Corrected	<input type="checkbox"/> Supplemental		

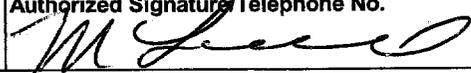
Subject
W-2, FOOD STAMPS

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$0	- \$0
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs	\$0	- \$0
Local Assistance	\$0	- \$0
Aids to Individuals or Organizations	\$0	- \$0
TOTAL State Costs by Category	\$0	- \$0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$0	- \$0
FED	\$0	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$0	- \$0
GPR Earned	\$0	- \$0
FED	\$0	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
TOTAL State Revenues:	\$0	- \$0

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
Net Change in Costs:	\$0	\$0
Net Change in Revenues:	\$0	\$0

Agency/Prepared by:(Name & Phone No.) DWD / Nikolay, Bob (266-9475)	Authorized Signature/Telephone No. 	Date 02/25/99
--	--	------------------