

### Fiscal Estimate - 2015 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>15-0487/1</b>	<b>Introduction Number</b> <b>AB-0188</b>
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**Description**  
 Removing FoodShare benefits from an inactive account and expunging unused benefits after one year

**Fiscal Effect**

**State:**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> No State Fiscal Effect<br><input type="checkbox"/> Indeterminate<br><input type="checkbox"/> Increase Existing Appropriations<br><input type="checkbox"/> Decrease Existing Appropriations<br><input type="checkbox"/> Create New Appropriations | <input type="checkbox"/> Increase Existing Revenues<br><input type="checkbox"/> Decrease Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><input type="checkbox"/> Decrease Costs |
|---|--|---|

**Local:**

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> No Local Government Costs<br><input type="checkbox"/> Indeterminate<br>1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>4. <input type="checkbox"/> Decrease Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected<br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|--|

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 4(bm), 4(pa)	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DHS/ Michele Dickinson (608) 266-5362	Andy Forsaith (608) 266-7684	5/6/2015

## Fiscal Estimate Narratives

DHS 5/6/2015

LRB Number	<b>15-0487/1</b>	Introduction Number	<b>AB-0188</b>	Estimate Type	<b>Original</b>
<b>Description</b>					
Removing FoodShare benefits from an inactive account and expunging unused benefits after one year					

### Assumptions Used in Arriving at Fiscal Estimate

The proposed legislation would require DHS to remove and store offline all FoodShare (FS) benefits posted to a recipient's benefit account if the account has not been accessed in six months or longer. DHS must attempt to notify the recipient before removing the benefits and must describe how the benefits may be returned to the account. In addition, it requires the Department to expunge unused benefits after one year, regardless of activity on the account.

The United States Department of Agriculture (USDA), Food and Nutrition Services (FNS) has provided guidance to states regarding aged benefits in which it has stated that benefits may be expunged only when recipients have not used benefits in their accounts for more than 365 days. Once the account has reached this expungement age, only those benefits that have been available to the client for 365 or more calendar days shall be expunged. This is Wisconsin's current policy. This bill suggests a slightly different policy of expunging all benefits older than 365 days, regardless of the activity on the account in the past 365 days. DHS would be required to submit a waiver to FNS to allow Wisconsin to expunge benefits that are at least 365 days old, regardless of activity on the account.

These two policy changes would require FIS, Wisconsin's FS EBT vendor, to make several systems changes. The system changes are assumed to be of moderate complexity and cost \$1,000,000 AF (\$500,000 GPR \$500,000 FED).

Changes to CARES, the public assistance eligibility information system, would be necessary to ensure notification of FS recipients prior to removing the benefits. To implement this policy CARES systems changes would cost \$330,000 AF (\$165,000 GPR \$165,000 FED). Ongoing costs to maintain these systems and send notifications would cost \$33,000 AF (\$16,500 GPR \$16,500 FED).

In sum, implementation costs would be \$1,330,000 AF (\$665,000 GPR \$665,000 FED). Ongoing costs would total \$33,000 AF (\$16,500 GPR \$16,500 FED).

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Removing FoodShare benefits from an inactive account and expunging unused benefits after one year			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$1,330,000 AF \$665,000 GPR \$665,000 FED			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs	33,000		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$33,000</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR	16,500		
FED	16,500		
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$33,000		\$
NET CHANGE IN REVENUE	\$		\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DHS/ Michele Dickinson (608) 266-5362		Andy Forsaith (608) 266-7684	5/6/2015