

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2392**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Requires Department of Human Services to issue specified types of public assistance through electronic benefits transfer card.

**Government Unit(s) Affected:**

Department of Human Services (DHS)

**Summary of Expenditure Impact:**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
General Fund	1,679,932	1,027,526
Federal Funds	1,676,898	1,027,515
<b>Total Funds</b>	<b>\$3,356,830</b>	<b>\$2,055,041</b>
Positions	26	11
FTE	15.75	11.00

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

House Bill 2392 requires the Department of Human Services (DHS) to print the names of authorized users on Oregon Trail electronic benefit transfer (EBT) cards for recipients of temporary assistance for needy families (TANF) and supplemental nutrition assistance (SNAP). The bill specifies that the requirements of the bill do not apply to SNAP benefits issued to senior citizens or to benefit checks from the federal Supplemental Security Income.

Under current practice, Oregon Trail Cards only included a unique card number. Typically, benefits go to entire households, and any family member is able to use the household debit card. In addition, a SNAP household has a right to designate a trusted relative, friend or service agency to food shop for them.

DHS estimates the cost of complying with the provisions of this bill to be \$3,356,830 Total Funds (15.75 FTE) for the 2015-17 biennium; and \$2,055,041 (11.00 FTE) for the 2017-19 biennium. This fiscal is priced assuming federal approval to expand the SNAP administrative limit. If this approval is not obtained, the costs would be 100% General Fund. The breakdown of these costs is detailed below:

	2015-17 Biennium	2017-19 Biennium
<b>Personal Services</b>	1,662,640	1,155,908
<b>Services and Supplies</b>		
Program and Personal Services Related S&S	193,637	126,896
Shared Services	478,819	160,237
<b>Special Payments</b>		
Notifications	11,443	
Vendor Training & Community Partners Outreach	8,655	
Staff Training	31,106	
Purchase of Printers	105,480	
Operations and Maintenance of Printers	378,000	336,000
Postage	487,050	276,000
<b>TOTAL EXPENDITURES</b>	<b>\$3,356,830</b>	<b>\$2,055,041</b>

Based on January 2015 numbers, DHS currently serve 78,627 TANF clients on 29,604 cases; and 773,893 SNAP clients on 434,924 cases with 1,755 field staff. With passage of this bill, after determining a client's eligible benefit, and activating the EBT card, DHS staff will need to manually verify and input the authorized name(s) into a specialized printer. DHS predicts that the printing of names onto cards and verifying that the right names have been allocated to the right case and card number will double the overall processing time of issuing an EBT card. To handle this increase in workload, DHS anticipates establishing 14 Limited Duration Human Services Specialist 1 positions to process the replacement of existing cards and one Limited Duration Principal Executive/Manager B to oversee the work. To manage the ongoing processing of the projected 25,000 cards being issued or replaced each month, DHS anticipates establishing 10 permanent Human Services Specialist 1 positions and one Human Services Specialist 4 position to serve as the lead worker. Startup costs (e.g. computers, office furniture, and rent) for these positions are included Shared Services calculations.

Additional startup costs include purchasing 24 specialized printers that would not de-magnetize the EBT card strip or take off the pre-printed unique number printers for branch offices, providing outreach to community partners and training to vendors, and mailing of notifications to inform recipients of the changes in requirements, as well as mailing of new personalized cards.

This bill requires budgetary action in the Joint Committee on Ways and Means for the allocation of General Fund and position authorization.