

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4440-01
Bill No.: HB 1283
Subject: Public Assistance
Type: Original
Date: April 14, 2014

Bill Summary: This proposal specifies that Supplemental Nutrition Assistance Program benefits may not be used to purchase energy drinks.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - Family Support Division (FSD)** state:

Section 205.1000

The Food and Nutrition Act of 2008 defines eligible food as any food or food product for home consumption, which includes some energy drinks. Energy drinks that contain a manufacturer's product label considered a nutrition facts label by the Food and Drug Administration (FDA) are eligible foods and are an allowable Supplemental Nutrition Assistance Program (SNAP) benefits purchase.

Energy drinks that have a manufacturer's supplement facts label are classified by the FDA as supplements and are, therefore, not eligible for purchase with SNAP benefits.

States cannot restrict the purchase of food items if federal regulations and the Food and Nutrition Act of 2008 have those items listed as eligible food. The FSD would request a waiver from the U.S. Department of Agriculture (USDA) as required by this section. There is no cost associated with requesting a waiver. However, the FSD anticipates that such a waiver would not be approved by the USDA.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may impact small business grocery stores, convenient stores, etc., that sell energy drinks.

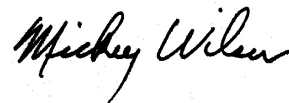
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services -
Family Support Division



Mickey Wilson, CPA
Director
April 14, 2014

Ross Strobe
Assistant Director
April 14, 2014