

Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

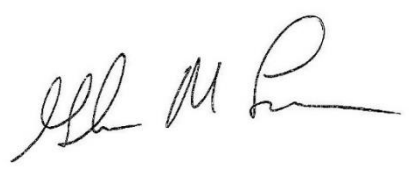
TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer

DATE: November 16, 2022

SUBJECT: Fiscal Impact Statement – Give SNAP a Raise Amendment Act of 2022

REFERENCE: Bill 24-600, Draft Committee Print as provided to the Office of Revenue Analysis on October 11, 2022



Conclusion

Funds are not sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. The bill will cost \$51.2 million in fiscal year 2023 and a total of \$213.2 million over the four-year financial plan.

Background

The Department of Human Services (DHS) determines eligibility and distributes federal funding for the Supplemental Nutrition Assistance Program (SNAP)¹. Federal SNAP benefits decrease with monthly income and are subject to a maximum monthly allotment depending on household size. For example, the maximum monthly allotments for fiscal year 2023 for a household of one person is \$281 and for four persons it is \$939. DHS distributes the benefits via electronic benefits transfer cards which can be used like a debit card. DHS also adds a locally-funded benefit to SNAP recipients whose federal benefit is less than \$30 per month, so that the household's total monthly benefit is at least \$30.

The bill would add a locally-funded SNAP benefit in addition to the benefits described above. The new benefit would equal ten percent of the federal government's maximum monthly allotment for the recipient household's size.

¹ <https://dhs.dc.gov/service/snap-benefits>

The Honorable Phil Mendelson

FIS: Bill 24-600, "Give SNAP a Raise Amendment Act of 2022," Draft Committee Print as provided to the Office of Revenue Analysis on October 11, 2022

The bill also updates the D.C. Code to change references to "food stamps" and "food stamp program" to SNAP.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. The bill will cost \$51.2 million in fiscal year 2023 and a total of \$213.2 million over the four-year financial plan.

An estimated 90,300 District households will receive SNAP benefits during fiscal year 2023. The bill's new requirement increases monthly benefits in an amount equal to ten percent of the federal maximum benefit, as shown in the chart below. On average, each household is expected to receive \$47 of increased monthly benefits under the bill and the total estimated cost for the new benefits is \$50.9 million during the first full year of implementation.

Household Size	FY 2023 Increased Benefit
1	\$28.10
2	\$51.60
3	\$74.00
4	\$93.90
5	\$111.60
6	\$133.90
7	\$148.00
8	\$169.10
Each additional member	\$21.10

The federal government determines maximum monthly SNAP allotments each fiscal year, including annual adjustments for inflation, so the bill's benefits increase will change accordingly. The estimated fiscal impact includes a three percent increase annually during the financial plan years to account for federal adjustments.

DHS will also need \$300,000 of one-time funding for IT systems changes required for implementing the ten percent addition to SNAP.

Give SNAP a Raise Amendment Act of 2022 Total Cost (\$ in Thousands)					
	FY 2023	FY 2024	FY2025	FY 2026	Total
Cost of Benefits	\$50,890	\$52,417	\$53,989	\$55,609	\$213,205
IT Systems Updates	\$300	\$0	\$0	\$0	\$0
Total Cost	\$51,190	\$52,417	\$53,989	\$55,609	\$213,205