

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2924

STATUS: Original

SUBJECT: Appropriates \$400,000 General Funds to the Department of Human Services for the Oregon Farm Direct Nutrition Program and the Women, Infants and Children Program

GOVERNMENT UNIT AFFECTED: Department of Human Services

PREPARED BY: Kim To

REVIEWED BY: Sheila Baker, John Britton

DATE: April 8, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
General Fund		
Services and Supplies	\$ 45,948	
Special Payments	\$ 354,052	
Total General Fund	\$ 400,000	

EFFECTIVE DATE: July 1, 2009

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

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 2924 appropriates \$400,000 General Funds to the Department of Human Services (DHS) for the purpose of providing fresh Oregon-grown fruits, vegetables and cut herbs from farmers' markets and roadside stands to eligible low-income seniors under the Oregon Farm Direct Nutrition Program and to eligible individuals through the Women, Infants and Children Program.

The bill does not indicate whether this amount is a one-time appropriation for the 2009-11 biennium or if this appropriation would continue in future biennia. The bill also does not specify how much should be allocated to each of the two programs. If this bill passes, DHS anticipates splitting the appropriated expenditures equally between the Oregon Farm Direct Nutrition Program and the Women, Infants and Children Program. Based on historical data, DHS estimates that, with the passage of this bill, the department could serve an additional 9,170 participants in the Women, Infants and Children Program and 5,688 participants in the Oregon Farm Direct Nutrition Program.

The bill does not stipulate that the entire \$400,000 must go directly to eligible individuals. Based on the number of participants in, and the administrative cost of, each program in the previous season, DHS calculates the administrative cost for the Women, Infants and Children Program to be \$1.81 per coupon issued and \$5.16 per coupon issued for the Oregon Farm Direct Nutrition Program. DHS estimates the total administrative cost of the program to be \$45,948 General Fund. This amount includes the printing of additional coupons and bank processing fees as well as the cost of identifying and informing new participants.