



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 624** HLS 25RS 160
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 5, 2025	12:05 PM	Author: BERAULT
Dept./Agy.: Children & Family Services and LA Workforce Commission		
Subject: Transfers Economic Stability and Renames LWC to LA Works		Analyst: Patrice Thomas

WORKFORCE COMMISSION EG INCREASE GF EX See Note Page 1 of 2

Transfers certain family and support programs from the Department of Children and Family Services to the Louisiana Workforce Commission and renames Louisiana Workforce Commission to Louisiana Works

Under present law, the Department of Children and Family Services (DCFS) provides public assistance through its Office of Family Support. Proposed law transfers certain programs that provide public assistance from DCFS’s Office of Family Support to the LA Workforce Commission (LWC). Under proposed law the following programs are being transferred: (1) Supplemental Nutrition Assistance Program (SNAP) Program, formerly Food Stamps, that provides nutrition assistance through Electronic Benefits (EBT) including Sun Bucks/Summer EBT, disaster SNAP benefits, and SNAP Workforce Training and Education Program; (2) Temporary Assistance to Needy Families (TANF) that provides cash assistance including the TANF block grant, Family Independence Temporary Assistance Program (FITAP), and Strategies to Empower People (STEP) Program; (3) Social Security Administration Disability Determinations Services (DDS); and (4) Child Support Enforcement employment and training program (CSE E&T).

Proposed law transfers SNAP and CSE employment and training programs and STEP program effective 7/01/25 (FY 26); transfer of DDS effective 7/01/25 (FY 26); and transfers of remaining SNAP and TANF effective 7/01/27 (FY 28), or less than \$1 M SGF expenditure impact to DCFS, whichever occurs later. Proposed law renames LWC to Louisiana Works effective 7/01/25 (FY 26).

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in a net increase of expenditures by an indeterminable amount within the Department of Children and Family Services (DCFS) and the newly renamed LA Works (formerly LA Workforce Commission - LWC) for IT systems enhancements for data reporting, sharing, and integration. Proposed law transfers public assistance programs currently in DCFS to LWC to remove multiple doors a client would have to access for services from public assistance programs and workforce development programs. Under the proposed law, LA Works would administer both workforce development programs and public assistance programs currently administered by DCFS, collectively referred to as Economic Stability – SNAP, TANF, DDS, SNAP employment and training, CSE employment and training, and STEP. In addition, DCFS may need \$12.2 M of additional SGF funding in FY 28 to replace Federal reimbursement received from the Economic Stability programs under the department’s public assistance cost allocation plan that will no longer be available (See Explanation on Indirect Impact on DCFS Expenditures).

Transfers of Economic Stability Programs in DCFS to LA Works

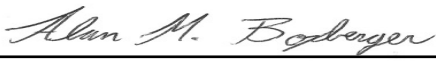
Phase 1 - Workforce Development Programs: In FY 26, this measure will increase expenditures by an estimated \$1.5 M to \$3 M within DCFS and LWC/LA Works for IT systems enhancements for data reporting, sharing, and integration needed to co-enroll eligible clients into multiple programs under the “Open Door” business model. The transfer of economic stability programs will begin with all employment and training programs under DCFS being integrated with workforce development programs administered by LA Works. Both departments use various IT management information systems to ensure accurate documentation and data analytics for client eligibility and program performance as well as integrated services data reports would need to be developed for referrals. At least four IT systems would need modifications - Helping Individuals Reach Employment (HiRE) in LWC/LA Works and LA Integrated Technology for Eligibility (LITE), SNAP Works, and CSE Works in DCFS.

Phase 2 - Disability Determinations Services (DDS): In FY 26, upon Federal approval, the DDS program will be transferred on 7/01/25. There is no anticipated direct material effect on expenditures as a result of transferring the DDS program from DCFS to LWC/LA Works.

Continue on Page 2

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	Dual Referral Rules	House	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Alan M. Boxberger Legislative Fiscal Officer



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 624** HLS 25RS 160
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 5, 2025	12:05 PM	Author: BERAULT
Dept./Agy.: Children & Family Services and LA Workforce Commission		
Subject: Transfers Economic Stability and Renames LWC to LA Works		Analyst: Patrice Thomas

CONTINUED EXPLANATION from page one: Page 2 of 2

EXPENDITURE EXPLANATION Continued from Page 1

Phase 3 - SNAP and TANF: In FY 28, upon Federal approval, the remaining SNAP and TANF programs will be transferred on 7/01/27 or when the indirect materials cost as a result of implementation of this measure is less than \$1 M to DCFS, whichever occurs later. Proposed law will have an indirect material effect on expenditures in DCFS due to the transfer of the SNAP and TANF. See “Indirect Impact on DCFS Expenditures” below.

DCFS anticipates transferring \$384 M and 1,518 T.O. positions. The position breakdown is 43 administrative positions and 1,475 direct program positions. The LFO cannot corroborate if the transfer of 43 administrative positions is an adequate number of positions that LWC will need to support the SNAP and TANF programs.

Indirect Impact on DCFS Expenditures

Since DCFS operates under a Public Assistance Cost Allocation Plan (PACAP), the department’s Divisions of Child Welfare and Management and Finance allocate personal services and operating costs across all funding sources including federal SNAP and TANF. Once SNAP and TANF are transferred to LWC/LA Works, DCFS reports needing an additional \$12.2 M in SGF to cover the loss of Federal expenditure reimbursement. To mitigate this loss of funding, the proposed law requires LWC/LA Works to maintain an adequate level of federal TANF funding in DCFS’s Division of Child Welfare through an interagency agreement.

The LFO cannot corroborate that DCFS will need an additional \$12.2 M SGF in FY 28 to mitigate the loss of Federal funding. To the extent more SGF is needed, there may be an indeterminable impact on SGF expenditures in FY 28 and subsequent fiscal years. Since the full transfer of SNAP and TANF will not happen until FY 28, the department has two fiscal years to address the impact on its expenditure funding under this measure.

Proposed law provides that the transfer of the SNAP and TANF programs shall become effective July 1, 2027, or when no more than \$1 M SGF recurring funding is necessary to implement this measure, whichever occurs later. The proposed law is silent on how the \$1 M SGF amount will be determined and who will determine if the \$1 M amount has been met.

Elimination of LWC/LA Works Positions

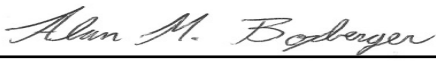
Proposed law requires LWC/LA Works to reduce 40 T.O. positions by FY 28. The department has indicated that the positions will be reduced over the next two fiscal years through natural attrition. The department reports savings of \$2.8 M (\$239,535 Worker’s Compensation Administration Fund; \$61,843 Second Injury Board Fund, and \$2,562,589 Federal). Only existing positions in LWC/LA Works will be eliminated. As of 7/01/24, LWC had 873 T.O. positions. Economic Stability positions transferred from DCFS will not be eliminated.

Name Change - LWC to LA Works

Proposed law provides for the renaming of the Louisiana Workforce Commission to Louisiana Works. The department will need to change office building signage, decals on all state vehicles, order new stationary and business cards, issue new employee I.D. badges, and other incidental items. Similar to other department name changes, the LFO anticipates LWC/LA Works will complete all necessary name changes utilizing existing resources.

Timeline of Proposed Law	Effective Date/Fiscal Year
Transfers of Economic Stability	
Phase 1: Workforce Development Programs	7/01/2025 (FY 26)
Phase 2: Disability Determinations	7/01/2025 (FY 26)
Phase 3: SNAP and TANF*	7/01/2027 (FY 28)
Elimination of LWC/LA Works Positions	7/01/2027 (FY 28)
Name Change - LWC to LA Works	7/01/2025 (FY 26)

*Or, when no more than \$1 M SGF recurring funding is needed.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Alan M. Boxberger Legislative Fiscal Officer