DIGEST

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Jefferson

HB No. 1213

Abstract: Provides for continuance of nutrition assistance for certain retirees whose SNAP benefits are reduced or eliminated due to income gained from a cost-of-living adjustment in retirement income.

Proposed law provides the following legislative findings:

- (1) A phenomenon known as the "cliff" is an unfortunate feature of many assistance programs and occurs when a gain in income results in a loss of assistance in an amount greater than the income gain, and more than offsets the benefit that a person derives from earning a higher income. This perverse incentive whereby earning a higher income has the effect of penalizing the earner is harmful to financially vulnerable individuals and families.
- (2) A particularly onerous "cliff" occurs in the Supplemental Nutrition Assistance Program (SNAP) of this state when a senior citizen receives a cost-of-living increase in his retirement income that, in turn, causes him to lose SNAP benefits in an amount greater than his cost-of-living increase or to lose eligibility for SNAP benefits entirely.

<u>Proposed law</u> requires the Department of Children and Family Services to establish a program for maintaining or continuing nutrition assistance to retirees who are 75 years of age or older and experience a decrease in SNAP benefits or a termination of SNAP eligibility due to having received a nonelective cost-of- living adjustment from the Social Security Administration's retirement benefits program, a public pension program, or any other retirement system, plan, or fund.

<u>Proposed law</u> provides that the source of monies for the program established by <u>proposed law</u> may include any appropriation by the legislature of state funds or federal funds from any source.

(Adds R.S. 46:311-313)