

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 0987	Introduced on January 24, 2024
Author:	Fanning	
Subject:	Summer EBT Program Notice of Intent	
Requestor:	Senate Agriculture and Natural Resources	
RFA Analyst(s):	Boggs	
Impact Date:	February 1	.3, 2024

Fiscal Impact Summary

This joint resolution requires the Governor and Director of the Department of Social Services (DSS) to file a Notice of Intent with the U.S. Department of Agriculture (USDA) for the Summer Electronic Benefit Transfer Program for Children (Summer EBT) within five days after the effective date of the joint resolution. This program will begin in 2024 and provides grocery-buying benefits to low-income families with school-aged children when schools are closed for the summer.

If implemented, DSS anticipates that this program will result in an increase of General Fund expense of \$3,770,170 and Federal Fund expense of \$3,770,170, for a total of by \$7,540,340 in FY 2024-25. This includes non-recurring costs for office supplies and one-time IT-related costs totaling \$182,170 in General Fund expenditures and \$182,170 in Federal Fund expenditures. The remaining amount is recurring costs for the annual issuance of EBT cards and salary and fringe benefits for an additional 62.0 FTEs to run the program. This will reduce to a General Fund expense of \$3,588,000 and Federal Fund expense of \$3,588,000, for a total expense of \$7,116,000, each year thereafter. The agency notes that contract prices are negotiated annually and, therefore, these estimated expenses may change year-over-year. The agency indicates that additional appropriations will be requested to cover these expenses.

Explanation of Fiscal Impact

Introduced on January 24, 2024 State Expenditure

This joint resolution requires the Governor and Director of DSS to file a Notice of Intent with the USDA for the Summer EBT within five days after the effective date of the joint resolution. This program will begin in 2024 and provides grocery-buying benefits to low-income families with school-aged children when schools are closed for the summer.

If implemented, DSS anticipates that this program will result in an increase of General Fund expense of \$3,770,170 and Federal Fund expense of \$3,770,170, for a total of by \$7,540,340 in FY 2024-25. This includes non-recurring costs for office supplies and one-time IT-related costs totaling \$182,170 in General Fund expenditures and \$182,170 in Federal Fund expenditures. The remaining amount is recurring costs for the annual issuance of EBT cards and salary and

fringe benefits for an additional 62.0 FTEs to run the program. This will reduce to a General Fund expense of \$3,588,000 and Federal Fund expense of \$3,588,000, for a total expense of \$7,116,000, each year thereafter. The agency notes that contract prices are negotiated annually and, therefore, these estimated expenses may change year-over-year. The agency indicates that additional appropriations will be requested to cover these expenses.

State Revenue N/A

Local Expenditure N/A

Local Revenue N/A

Frank A. Rainwater, Executive Director