

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Human Services to which was referred House Bill No. 620  
3 entitled “An act relating to payment error rates in 3SquaresVT” respectfully  
4 reports that it has considered the same and recommends that the bill be  
5 amended by striking out all after the enacting clause and inserting in lieu  
6 thereof the following:

7 Sec. 1. LEGISLATIVE INTENT

8 (a) It is the intent of the General Assembly that the State assume  
9 responsibility in accordance with this act for errors caused by the Department  
10 for Children and Families in the 3SquaresVT Program that require low-income  
11 households to reimburse the federal Food and Nutrition Service for overissued  
12 benefits.

13 (b) The General Assembly further believes that in those federal fiscal years  
14 in which instability within 3SquaresVT resulted in unforeseen burdens on  
15 participating households, the State should assume responsibility for its errors.

16 Sec. 2. 33 V.S.A. chapter 17 is amended to read:

17 CHAPTER 17. FEDERAL SUPPLEMENTARY BENEFITS

18 § 1701. SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

19 (a) The State of Vermont may participate in the federal Supplemental  
20 Nutrition Assistance Program which is provided for under Public Law 88-525,  
21 also known as the Food Stamp Act of 1964, as amended. The Commissioner

1 may adopt, and from time to time amend or repeal, ~~regulations~~ rules governing  
2 the operation of the program in the ~~state~~ State.

3 (b) An individual domiciled in Vermont shall be exempt from the  
4 disqualification provided for in 21 U.S.C. § 862a.

5 (c) ~~When~~ As used in this ~~section~~, chapter:

6 (1) “Commissioner” means the Commissioner for Children  
7 and Families ~~and~~.

8 (2) “Department” means the Department for Children and Families.

9 (3) “SNAP” means the Supplemental Nutrition Assistance Program.

10 § 1702. AUTOMATIC COMPROMISE

11 The Department shall ensure that any agency error claim against a Vermont  
12 household that has received SNAP benefits in excess of its eligible amount  
13 shall have the claim automatically compromised, meaning the household’s  
14 claim shall be reduced automatically in accordance with the 3SquaresVT  
15 Claims Plan. Prior to issuing notice of the claim to the household, the  
16 Department shall adjust the original claim to reflect the compromise.

17 § 1703. PAYMENT ERROR RATE REPORT

18 On or before March 1 of the year following any federal fiscal year in which  
19 the State of Vermont receives a federal sanction for an excessive payment error  
20 rate in SNAP, the Department shall report to the House Committee on Human  
21 Services and the Senate Committee on Health and Welfare regarding:

1           (1) the number of households that received SNAP benefits and were  
2           discovered to have an overpayment or underpayment in the sanction year due  
3           to agency error, including the average amount of the overpayments and  
4           underpayments and the total amount of each; and

5           (2) the Department’s specific plans for sanction reinvestment to improve  
6           its error rate for the next federal fiscal year.

7           Sec. 3. 3SQUARESVT CLAIMS PLAN

8           (a) The Department for Children and Families shall apply to the federal  
9           Food and Nutrition Service to amend its 3SquaresVT Claims Plan to pay on  
10           behalf of households a compromised amount up to 50 percent of any  
11           outstanding balance owed to FNS for an agency error claim after an approved  
12           compromise is applied for accrued in federal fiscal years 2011 through 2014.

13           Agency error claims shall be eligible for State repayment regardless of the  
14           original claim amount or the manner in which the claim is identified.

15           (b) The Department shall keep the Chairs of the Senate Committees on  
16           Appropriations and on Health and Welfare and of the House Committees on  
17           Appropriations and on Human Services apprised of the Department’s progress  
18           and success in amending the 3SquaresVT Claims Plan. In addition, any  
19           progress toward the goals of this act achieved after adjournment sine die of the  
20           2014 legislative session of the General Assembly and prior to the convening of the  
21           2015 legislative session shall be reported to the Health Care Oversight Committee.

22           Sec. 4. REPAYMENT FOR AGENCY ERROR

1       For any agency error claim resulting from overissued Supplemental  
2       Nutrition Assistance Program benefits to a household during federal fiscal  
3       years 2011 through 2014:

4           (1) the Department for Children and Families shall reimburse the  
5       household for the full amount of any repayment of the claim made by the  
6       household to the federal Food and Nutrition Service (FNS); and

7           (2) the Department for Children and Families shall be repay to FNS a  
8       compromised amount up to 50 percent of any outstanding balance owed to  
9       FNS.

10       Sec. 5. APPROPRIATION

11       The amount of \$387,890.00 shall be appropriated to the Department for  
12       Children and Families from the General Fund.

13       Sec. 6. EFFECTIVE DATES

14           (a) Except for Sec. 4 (repayment for agency errors), this act shall take  
15       effect on passage.

16           (b) Sec. 4 shall take effect upon certification by the Commissioner for  
17       Children and Families to the Governor and General Assembly that the federal  
18       Food and Nutrition Service has approved an amendment to the Department's  
19       3SquaresVT Claims Plan pursuant to Sec. 3(a) as long as the certification  
20       occurs on or before March 1, 2015.

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1 (Committee vote: \_\_\_\_\_)

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Representative [surname]

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FOR THE COMMITTEE