

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3803S.01I  
Bill No.: SB 875  
Subject: Food; Public Assistance; Department of Social Services  
Type: Original  
Date: January 15, 2026

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Bill Summary: This proposal establishes a "Restaurant Meals Program" as part of the Supplemental Nutrition Assistance Program (SNAP).

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(\$70,707)	(\$27,000)	(\$27,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$70,707)</b>	<b>(\$27,000)</b>	<b>(\$27,000)</b>

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Federal Funds*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Revenue Gain and expenses are estimated at \$23,569 in FY 2027, \$9,000 in FY 2028 and \$9,000 in FY 2029 and net to \$0.

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §208.031 - Establishes a "Restaurant Meals Program" as Part of SNAP

Officials from **Department of Social Services (DSS)** state [Title IV: Nutrition Subtitle A SNAP](#) (Sec. 4002), requires participating retail food stores to: (1) offer perishable goods in at least three staple food categories, and (2) provide adequate electronic benefit transfer (EBT) service. Requires participating retail food stores (including restaurants participating in a state option restaurant program intended to serve the elderly, disabled, and homeless), with certain exceptions, to pay 100% of the costs of acquiring and arranging for the implementation of EBT point-of-sale equipment and supplies. Exempts from such requirement farmers' markets and other direct-to-consumer markets, military commissaries, nonprofit food buying cooperatives, and certain establishments, organizations, programs, or group living arrangements.

Officials from **DSS, Family Support Division (FSD)** state the proposed legislation requires DSS to allow homeless and elderly/disabled individuals receiving SNAP benefits to participate in the "Restaurant Meals Program" to redeem their SNAP benefits at private establishments that contract with the United States Department of Agriculture (USDA) to offer meals for eligible individuals at concessional prices.

FSD estimates that approximately 193,841 households will be eligible to participate in the Restaurant Meals Program. FSD determined this in the following manner: As of October 31, 2025, there were 38,443 homeless households and 155,398 elderly/disabled households receiving SNAP benefits that could utilize the Restaurant Meals Program. Due to system limitations, FSD is not able to differentiate the elderly/disabled individuals and their spouses from the other members of the household. FSD assumes all members of these households would be eligible. Therefore, 193,841 (38,443 + 155,398) households would be eligible to use their EBT card at participating retailers in the Restaurant Meals Program.

7 CFR 278.1(d)(3) allows states the option to participate in the Restaurant Meals Program. Prior to implementation, FSD IM will need to complete a State Plan Amendment (SPA). FSD estimates that it will take approximately six months to obtain approval from the Food and Nutrition Services (FNS).

FSD currently utilizes a third party vendor to administer SNAP benefits. The current EBT vendor estimates the necessary programming changes will cost approximately \$27,308 to implement and approximately \$3,000 per month to maintain. DSS will be charged a surcharge per customer service representative (CSR) call received if the total Missouri monthly call volume increases by 10% or more over the average call volume for the preceding three months leading up to the implementation of this project. However, FSD assumes the call volume will not increase by 10% due to participant education. In addition, FSD staff will also answer participants/applicants questions in regards to the Restaurant Meals Program.

FSD assumes existing staff will be able to complete the necessary work to implement the provisions of this legislation.

FSD defers to OA- ITSD for system changes necessary to implement the provisions of this legislation.

Therefore, FSD estimates a total fiscal impact for section 208.031 is \$57,308 EBT Vendor expenses [\$27,308 implementation + (\$3,000\*10 months maintenance = \$30,000) = \$57,308] in SFY 27 and \$36,000 (\$3,000 \* 12 months maintenance = \$36,000) per year ongoing. Effective October 1, 2026, EBT costs funding split will be 75% GR/25% Federal.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DSS/FSD for fiscal note purposes.

Officials from **OA, ITSD/DSS** state updates to the Family Assistance Management Information Systems (FAMIS) and the Missouri Eligibility Determination and Enrollment System (MEDES) would be required.

The proposed 'Restaurant Meals Program' enables some participants to redeem SNAP benefits for meals at reduced prices at specific businesses having a contract with DSS.

The payment disbursement is handled by a third party vendor (FIS Global), and FAMIS provides the data to the EBT team. The direct interface is between FIS Global and the EBT team and in return, FAMIS receives data from the EBT team such as the check issuance number, date, etc. This information is then updated in the system.

At this time, the file layout between the EBT team and FIS Global does **not** include data elements that identify if a participant is differently abled or elderly. Relationship information such as spouse or parent to the card holder is not identified. The homeless population is already identified because the participant address information is currently included in the file layout.

The fiscal impact estimate for FAMIS includes changes to the interface for the data exchange, any downstream impacts such as reports and the monthly/daily payroll process which makes use of this data and will need changes.

OA, ITSD/DSS assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for FAMIS are estimated at \$105/hour. It is assumed the necessary modifications will require 352.08 hours for a cost of \$36,968 (352.08 \* \$105), split 75% GR; 25% Federal, in FY 26 exclusively.

**Oversight** notes that in previous sessions, DSS included an estimate for updates to the Missouri Eligibility Determination and Enrollment System (MEDES) system. Oversight reached out to DSS regarding possible estimates to update MEDES.

**DSS** officials state that, because DSS leadership is evaluating MEDES, estimate for MEDES has been removed from this year’s response.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the OA, ITSD/DSS.

Officials from the **Department of Economic Development** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

**Oversight** notes the following information from the [USDA website](#) updated May 29, 2025:

**Restaurant Meals Program:** Currently 9 states (Arizona, California, Illinois, Maryland, Massachusetts, Michigan, New York, Rhode Island and Virginia) are the only states eligible to participate. The SNAP Restaurant Meal Program is a special state-run program that allows elderly, homeless, and disabled SNAP recipients to purchase food at SNAP authorized restaurants using their SNAP EBT cards. Under the Restaurant Meals Program, participating restaurants must offer meals at concessional prices.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – DSS/FSD (§208.031) EBT contract changes p.3-4</u>	(\$20,481)	\$0	\$0
<u>Cost – DSS/FSD (§208.031) EBT monthly maintenance fees p.3-4</u>	(\$22,500)	(\$27,000)	(\$27,000)
<u>Cost - OA, ITSD/DSS (§208.031) FAMIS system updates p.4-5</u>	(\$27,726)	\$0	\$0
<b>ESTIMATED NET EFRFECT ON GENERAL REVENUE</b>	<b>(\$70,707)</b>	<b>(\$27,000)</b>	<b>(\$27,000)</b>
<b>FEDERAL FUNDS</b>			
<u>Revenue Gain – DSS/FSD (§208.031) Reimbursement for EBT changes p.3-4</u>	\$14,327	\$9,000	\$9,000

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<u>Revenue Gain - OA, ITSD/DSS</u> (\$208.031) Reimbursement for FAMIS system updates p.4-5	\$9,242	\$0	\$0
<u>Cost – DSS/FSD (§208.031) EBT</u> contract changes p.3-4	(\$6,827)	\$0	\$0
<u>Cost – DSS/FSD (§208.031) EBT</u> monthly maintenance fees p.3-4	(\$7,500)	(\$9,000)	(\$9,000)
<u>Cost - OA, ITSD/DSS (§208.031)</u> FAMIS system updates p.4-5	(\$9,242)	\$0	\$0
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

This legislation may impact participating small businesses that offer prepared foods. The proposal could increase a business’ customer base but could also reduce a business’ profits due to the “concessional prices” provision (§208.031).

FISCAL DESCRIPTION

This act requires the Department of Social Services to establish a "Restaurant Meals Program" as part of the Supplemental Nutrition Assistance Program (SNAP). Under this program, households containing certain elderly, disabled, or homeless individuals shall have the option, in accordance with federal law, to redeem their SNAP benefits at private establishments that contract with the Department to offer meals, including hot food and meals intended for immediate consumption, for eligible persons at concessional prices.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services  
Department of Economic Development



Julie Morff  
Director  
January 15, 2026



Jessica Harris  
Assistant Director  
January 15, 2026