#### SESSION OF 2022

# SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR HOUSE BILL NO. 2448

As Recommended by Senate Committee on Public Health and Welfare

#### **Brief\***

Senate Sub. for HB 2448 would require the Department for Children and Families (DCF) to assign all able-bodied adults without dependents (ABAWDs) subject to the food assistance work requirements established by federal law to an employment and training program as defined in 7 U.S.C. § 2015(d)(4). The bill would specify the provisions of the bill would only apply to ABAWDs aged 18 through 49.

The bill would also make technical amendments.

## **Background**

HB 2448, as passed by the House, would have amended a statute governing restrictions on persons maintaining or residing, working, or volunteering at a child care facility. On March 17, 2022, the Senate Committee on Public Health and Welfare removed the contents of HB 2448, inserted the contents of SB 501, as amended by the Committee, and recommended a substitute bill be passed.

[*Note*: The contents of HB 2448, as passed by the House, were previously inserted into HB 2158 during the conference committee process. The bill was passed by the Legislature and signed into law by the Governor on May 21, 2021.]

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

## SB 501

SB 501 was introduced by the Senate Committee at the request of a representative of Opportunity Solutions Project.

## Senate Committee on Public Health and Welfare

In the Senate Committee hearing on March 10, 2022, a representative of Opportunity Solutions Project provided **proponent** testimony, stating the bill would help able-bodied adults receiving food assistance to find jobs, which would help the workforce shortage. Written-only proponent testimony was provided by a representative of the Office Medicaid Inspector General, who stated support for certain provisions of the bill, as introduced, relating to Medicaid eligibility that were not retained by the Senate Committee.

Neutral testimony was provided by a representative of the Kansas Department of Health and Environment Division of Health Care Finance.

Opponent testimony was provided by a representative of Harvesters Community Food Network, Kansas Food Bank, and Second Harvest Community Food Bank and representatives of the American Cancer Society Cancer Action Network, DCF, KanCare Advocates Network, Kansas Action for Children, Kansas Appleseed Center for Law and Justice, Kansas Children's Service League, Kansas Coalition Against Sexual and Domestic Violence, Kansas Hospital Association, and Kansas Interfaith Action. Opponents generally stated the provisions of the bill concerning food assistance work requirements would be burdensome for families and that it would be costly for the State to establish a mandatory work program.

Written-only opponent testimony was provided by seven private citizens and representatives of American Heart Association, East Topeka Senior Center, Fredonia Food Bank, Genesis-Thomas County, Inc., Harvesters Community Food Network, Humanity House Foundation, HumanKind Ministries, Kansas Council on Developmental Disabilities,

Kansas Food and Farm Coalition, Kansas Head Start Association, Kansas National Education Association, Lecompton United Methodist Church Food Pantry, Marion County Food Bank, Oral Health Kansas, Park City Pride Food Pantry, Passageways, Project Hope, Reach Out Food Pantry, St. Joseph Food Pantry and Diaper Closet, St. Paul's Episcopal Church in Clay Center, Udall Food Bank, Wallace County Ministerial Alliance Food Pantry, and Westside Good Neighbor Center.

The Senate Committee amended the bill to:

- Remove provisions relating to Medicaid presumptive eligibility, Medicaid and food assistance income eligibility, and data matching agreements related to Medicaid and food assistance; and
- Specify the provisions of the bill would apply only to ABAWDs aged 18 through 49.

The Senate Committee removed the contents of HB 2448, inserted the contents of SB 501, as amended, and recommended a substitute bill be passed.

## **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on SB 501, as introduced, DCF indicates Kansas currently operates a voluntary employment and training program for ABAWDs, who may, but are not currently required to, participate. Enactment of the bill would require all ABAWDs to participate to receive benefits. Additional expenditures would be required to provide services to participating individuals and for staffing needs to meet the increase in demand for services. DCF currently operates a voluntary program called Supplemental Nutrition and Assistance Program Education and Training (SNAP E&T) to serve ABAWDs willing to participate. DCF states this program would need to be changed and expanded to be a mandatory

program for all ABAWDs. Changes to the SNAP state plan require federal approval. DCF states, on average, there are approximately 13,685 ABAWDs served monthly who do not participate in the SNAP E&T program. DCF estimates, based on historical information, that only 9.3 percent of that total would participate in a mandatory program. The average cost in benefits to persons participating in the SNAP E&T program is \$33.45 per month. These costs include transportation, clothing, and other assistance to enable participants to find and maintain meaningful employment.

DCF estimates the additional costs for benefits to participants to the mandatory program would be \$511,026 from the State General Fund (SGF) for FY 2023, as no federal funds are available. Kansas currently receives federal funds requiring an equal match in state funds to cover the costs of these services. However, the federal award for FY 2022 was \$78,582. DCF states these grants are historically fully spent.

DCF indicates a mandatory program would significantly increase the caseload. DCF projects the SNAP E&T monthly caseload to increase by 1,273 individuals. DCF indicates the optimal number of cases assigned per worker is approximately 43. The agency states this ratio would require an additional 30.0 full-time equivalent (FTE) positions and would include 2.0 FTE Human Services Supervisor positions and 28.0 FTE Program Consultant positions.

DCF estimates additional expenses for salary, benefits, and other operating expenses are estimated to total \$2.7 million SGF. Kansas receives a 100.0 percent federally funded grant to support these services. DCF states, however, that the grant for federal FY 2022 totals only \$611,726, which does not fully fund the SNAP E&T program. Additional funds have been requested and awarded, bringing the total award to \$1.4 million. DCF states, however, these funds are expended and are not adequate to cover the increased costs associated with a mandatory program.

Food assistance; work requirement