DCF Legislative Testimony

February 7, 2024

TESTIMONY OF: Tanya Keys, Deputy Secretary, Department for Children and Families

TESTIMONY ON: House Bill 2552

DCF | HB 2552 | WRITTEN ONLY PROPONENT

Chair Concannon and members of the committee, thank you for the opportunity to provide written proponent testimony regarding HB 2552, Prohibiting the secretary for children and families from using federal benefits of a child in need of care for the care and custody of the child and requiring the secretary to create and maintain an account of such benefits received for such child.

HB 2552 would prohibit the Secretary of the Department for Children and Families from using federal benefits received by a child in foster care for the costs of care while in state custody. This legislation would also require the secretary to create accounts for children receiving federal benefits and directing the use of the benefits to be for the best interests of the child. This would amend K.S.A. 38-2216 and repealing the existing section.

Some children in foster care receive monthly Social Security (SSA) or Supplemental Security Income (SSI) benefits. SSA benefits are either for disability or survivor benefits and SSI is for a disability only. In most cases, DCF receives Social Security benefits on behalf of a child in foster care as their payee. Currently there are no railroad retirement board beneficiaries and only 1 veteran's administration beneficiary for whom DCF is the payee. Regarding social security benefits, there are 363 clients with accounts receiving only SSA, 456 clients with only SSI and 54 clients receiving both SSA and SSI benefits.

When the agency receives these benefits, they are used for the child's foster care maintenance such as food, clothing, shelter, education, and daily supervision – not to exceed actual costs. There are also instances where these funds are requested for miscellaneous one-time expenses. Current accounts are managed through an administrator in DCF central operations who oversees the Representative Payee Program in Kansas. This position assists DCF regional workers initiate the Representative Payee process.

This bill would require DCF to stop using these benefit funds for the costs of the child's care. Instead, DCF would be required to set up some type of trust account or ABLE (Achieving a Better Life Experience) accounts for the child to save these funds for future use. DCF would continue to request and become Representative Payee of the clients' benefits and would set up ABLE account for each client. ABLE accounts are tax-advantaged savings accounts for individuals with disabilities and their families and are exempt as a countable resource when determining SSI eligibility. DCF regional workers would continue to maintain annual reporting to the Social Security Administration. Under the bill, these funds could be used for current unmet needs beyond care and custody and also set aside the child's future needs.

As recently as 2021, 49 states followed the same practice of using these benefits to reimburse for the cost of care. Since that time, at least 15 states and cities have changed their laws or practices and started preserving the benefits for the youth. Also, in August, 2023 the Social Security Administration and the Administration on Children and Families sent a joint letter to states encouraging but not mandating these changes.

Currently DCF spends $8.5 million dollars a year in the Foster Care budget of SSA/SSI revenues to cover eligible children's foster care maintenance such as food, clothing, shelter, education, and daily supervision – not to exceed actual costs. To remove that funding from the foster care budget would result in the need for state general funds to replace the SSA/SSI funding.

Thank you again for the opportunity to provide testimony on HB 2552. DCF supports this legislation as written and would ask that the committee pass favorably.