

February 27, 2024

The Honorable Adam Thomas, Chairperson
House Committee on Education
300 SW 10th Avenue, Room 218-N
Topeka, Kansas 66612

Dear Representative Thomas:

SUBJECT: Fiscal Note for HB 2771 by House Committee on Child Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2771 is respectfully submitted to your committee.

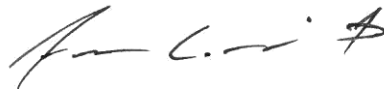
HB 2771 would create the Healthy Food Site Grant Program to be administered by the Department of Commerce. The program would improve community access to healthy food through the awarding of grants to establish food retail and food system enterprises within one mile of a school and a designated food desert in an urban area. Food desert would have the same meaning as designated by the United States Department of Agriculture. Grantees would propose, with a business plan, the construction or renovation of an infrastructure for provision of healthy foods and accept food and cash assistance or other eligible benefit for purchasing of healthy foods. The bill would also create the Healthy Food Site Grant Program Fund from which the Department would award grants for the program. The Department would also be authorized work with community foundations, school districts, Kansas business and industry and Kansas economic development organizations to publicize healthy food site grants as well as application guidelines for grants.

The Department of Commerce indicates that under HB 2771, the agency would expend \$91,000 from the State General Fund to hire 1.0 Program Manager FTE position and for operating expenditures for office equipment and printing. The Department for Children and Families (DCF) indicates that because HB 2771 would require grantees to accept food and cash assistance benefits issued by the DCF, grantees would need to sign up to become an authorized vendor to complete transactions for purchasing healthy food. There is no cost to sign up as an authorized vendor using wired equipment. Retailers would incur a cost if wireless equipment was used. DCF indicates HB 2771 would not have a fiscal effect on agency operations.

The Kansas Department of Education indicates school districts would have the option to participate in the program. The bill would not have a fiscal effect on agency operations. Any fiscal effect associated with HB 2771 is not reflected in *The FY 2025 Governor's Budget Report*.

The Kansas Association of Counties indicates if counties choose to be involved in developing infrastructure under the bill, then there could be a fiscal effect to the counties; however, a fiscal effect cannot be determined. The League of Kansas Municipalities states the bill would not have a fiscal effect on cities.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Gabrielle Hull, Department of Education
Sherry Rentfro, Department of Commerce
Kim Holter, Department for Children & Families
Jay Hall, Kansas Association of Counties
Wendi Stark, League of Kansas Municipalities