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Laura Kelly, Governor

January 30, 2023

The Honorable Pat Proctor, Chairperson House Committee on Elections 300 SW 10th Avenue, Room 218-N Topeka, Kansas 66612

Dear Representative Proctor:

SUBJECT: Fiscal Note for HB 2118 by House Committee on Elections

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2118 is respectfully submitted to your committee.

HB 2118 would require the Secretary of State to enter into agreements with the Kansas Department for Aging and Disability Services, the Kansas Department for Children and Families, and the Kansas Department of Health and Environment to cross-check welfare recipient data to ensure the state's voter registration rolls are current.

The Department for Children and Families states that federal regulations related to assistance programs limit the use and disclosure of information associated with program recipients. In general, information can only be disclosed to persons directly connected to the administration and enforcement of federal assistance programs. In limited circumstances, information may be released to law enforcement officials related to the investigation of a crime and only upon written request which includes the name of the individual being investigated and the violation being investigated. This disclosure is limited to only information necessary to comply with the specific written request. State agencies are required to protect identifying information related to persons and families receiving assistance benefits. The proposed use of the information in HB 2118 may violate the disclosure provisions.

Failure to comply with these federal regulations could result in all federal funds related to the assistance programs being put at risk of being withheld. Kansas receives over \$100.0 million in Temporary Assistance for Needy Families and over \$90.0 million in Child Care Development Funds. Additionally, annual Supplemental Nutrition Assistance Program (SNAP) benefits in

excess of \$500.0 million provided to around 95,000 Kansas families, along with over \$30.0 million to administer the SNAP program, would be at risk.

The Kansas Department of Health and Environment and the Kansas Department for Aging and Disability Services are prohibited by federal law from engaging in the type of information-sharing this bill would require. In general, agencies may not share Medicaid data except for purposes directly related to establishing eligibility, determining the amount of medical assistance, and providing services for beneficiaries. Maintaining the accuracy of state voter registration rolls is not among those permitted purposes. If the bill would become law and the agency shared information in the manner contemplated by the bill, all federal funding to support the Medicaid program would be at risk.

The Secretary of State's Office indicates that HB 2118 could have a fiscal effect on the Office. The bill would mandate the Secretary of State enter into agreements. The agreements would be drafted and adopted using existing resources. However, there could be an unbudgeted cost to the Office depending on the technology and security of obtaining the information from the three other state agencies, conducting a comparison of the information, and then acting on the information. Any fiscal effect associated with HB 2118 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

Adam Proffitt

Director of the Budget

cc: Leigh Keck, Department for Aging & Disability Services Kim Holter, Department for Children & Families Amy Penrod, Department of Health & Environment Sandy Tompkins, Office of the Secretary of State