

SESSION OF 2022

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2525
As Amended by House Committee on Children
and Seniors

Brief*

HB 2525, as amended, would amend requirements and exemptions related to food assistance programs and non-Temporary Assistance for Needy Families (TANF) child care.

Child Support

The bill would remove provisions disqualifying individuals from receiving a child care subsidy or participating in the food assistance program due to non-cooperation with child support services. The bill would allow, but not require, the Secretary for Children and Families (Secretary) to offer coordination between child support services and individuals applying for or participating in child care or food assistance.

The bill would also remove the provision in law that applying for or receiving child care or food assistance deems the applicant or recipient to have assigned to the Secretary present or future rights to child support owed to such person or owed to a family member for whom an individual is applying for or receiving aid.

*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>

Child Care Exemptions and Provisions

The bill would exempt the following from the non-TANF child care assistance requirement that all included adults be employed a minimum of 20 hours per week or more as defined by the Secretary:

- Adults enrolled in a public or nonpublic elementary or secondary school making progress toward graduation, for up to 48 months; and
- Adults enrolled in a postsecondary educational institution for at least 6 credit hours required to obtain a degree or certification, for up to 72 months.

The bill would remove certain provisions requiring the Department for Children and Families (DCF) to provide child care for the pursuit of any degree or certification under certain conditions. The removed provisions would include:

- A lifetime maximum of 24 months of child care assistance per adult;
- A requirement students be employed for a minimum of 15 hours per week; and
- Prohibiting both parents in a two-parent household from receiving child care assistance and attending formal education or training programs at the same time.

The bill would also make technical amendments.

Background

The bill was introduced by the House Committee on Children and Seniors at the request of Representative Concannon on behalf of Kansas Action for Children.

House Committee on Children and Seniors

In the House Committee hearing on January 31, 2022, representatives of Child Care Aware of Kansas, Greater Wichita YMCA, Harvesters, Kansas Action for Children, Kansas Appleseed Center for Law and Justice, Kansas Coalition Against Sexual and Domestic Violence, and Thrive Allen County provided **proponent** testimony. Proponents stated the bill would increase access to the child care and food assistance programs and remove barriers for parents to receive education and secure employment.

Written-only proponent testimony was submitted by a family resource advocate; a professor of social work; a registered dietitian; a social worker; private citizens; and representatives of Aligned, Coffeyville Public Schools, Family Resource Center, Googols of Learning Early Child Development Center, Hilltop Child Development Center, Inc., Kansas Association for the Education of Young Children, Kansas Breastfeeding Coalition, Kansas Chapter of the American Academy of Pediatrics, Kansas Food and Farm Coalition, Kansas Head Start Association, KVC Kansas, Northrock, Inc., Nurture KC, and Success by 6 Coalition of Douglas County.

A representative of Opportunity Solutions Project provided **opponent** testimony, stating current law provides for good cause exemptions to the child support cooperation requirement, and that the bill would result in fewer families receiving child support.

No neutral testimony was provided.

The House Committee amended the bill to allow, but not require, the Secretary to offer coordination between child support services and individuals applying for or participating in child care or food assistance.

Fiscal Information

According to the fiscal note provided by the Division of the Budget on the bill, as introduced, the Kansas Department of Health and Environment, the Department of Administration, and the Kansas Department for Aging and Disability Services indicate the bill would have no fiscal effect on the agencies. DCF indicates the bill would affect the Child Care and Food Assistance caseloads by increasing expenditures and the number of positions it would take to handle the additional caseload.

DCF indicates the bill would increase the caseload for child care assistance an average of 137 cases per month for FY 2023 and 389 cases per month for FY 2024. The estimated months of child care assistance as a result of the removal of the work requirement for adults in school would be 24 months. This would result in the caseload leveling off in FY 2025 at an average increase of 504 cases per month. DCF estimates total additional child care benefits would be \$1,479,015 in FY 2023 and \$4,410,943 in FY 2024.

A DCF review of historical data found, on average, 2,500 cases per month are not receiving food assistance benefits due to noncooperation. The agency reports increased food assistance benefits, estimated at \$22.5 million, would be funded 100.0 percent with Supplemental Nutrition Assistance Program (SNAP) funds and would be passed through the agency directly to the beneficiaries.

According to DCF, the increase in the caseload would result in a need for an additional 14.0 full-time equivalent (FTE) positions. The combined increase to caseload for child care and food assistance related to the proposed changes would be 2.42 percent. Estimates include salaries and benefits and other operating expenses based on the number of FTE positions added. Additional salaries, benefits, and other operating expenses total \$839,359 from all funding sources, including \$397,382 SGF in FY 2023 and \$829,439 from all funding sources, including \$393,154 SGF in FY 2024.

DCF notes the bill would change several eligibility requirements, which could require eligibility system changes; these changes would need to be examined to determine cost and time impact. An estimate of \$1.0 million from all funding sources, including \$462,000 from the State General Fund (SGF), is being included for impact purposes. These would be one-time costs in FY 2023.

DCF anticipates the changes would not be fully implemented until the third year. The project costs for the third year are estimated at \$6.8 million from all funding sources, including \$396,460 SGF. The additional expenses detailed above would be expected to continue into later years assuming the caseload remains constant. Expenditure increases would occur if benefit rates or caseloads increase. DCF reports there are currently sufficient federal Child Care Development Funds (CCDF) to cover the increase in expenditures related to child care assistance. However, the long-term implementation of these child care assistance changes would likely require additional expenditures from the SGF, as reserve CCDF funds are projected to eventually be exhausted at the current level of spending. Any fiscal effect associated with the bill is not reflected in *The FY 2023 Governor's Budget Report*.

Food assistance; child care assistance; child support