

Questions?
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# House Bill 3 What this bill means for Kentuckians

# **Summary**

House Bill 3 combines several pieces of previously failed legislation that would cost more money to provide benefits to fewer people. The proposed measures are harsh and will make it nearly impossible for already struggling Kentuckians to lift themselves out of poverty.

## Restricts federal funding to Temporary Assistance for Needy Families (TANF)

HB3 shifts funds away from public assistance and would result in thousands of Kentuckians, mostly children, having their benefits cut off or eliminated.

#### Raises barriers to food assistance

HB3 raises barriers to modest food assistance to parents of children over six years old. Recipients would have to participate in "workfare" - essentially an unpaid internship - if they are not already working at least 20 hours per week. Workfare is not effective in moving families to self-sufficiency, and reporting requirements are proven tripwires to other benefit programs even when the recipient is technically in compliance. 10,000 SNAP recipients lost benefits due to a work requirement the state imposed in 2018.

## **Codifies work reporting requirements**

HB 3 codifies work reporting requirements for Medicaid recipients proposed in the state's 1115 waiver known as Kentucky HEALTH. The waiver is currently facing a legal challenge, and it is a demonstration project that has yet to be evaluated. A similar requirement Arkansas implemented last year has already resulted in 18,000 residents losing healthcare, even though many are working.

### Creates massive, expensive, inefficient bureaucracy

- HB3 would require an expensive administrative system to monitor many thousands of parents on the workfare program and coordinate with nonprofit organizations across the state to set up workfare sites.
- HB3 requires the state to include a photo on Supplemental Nutrition Assistance Program (SNAP) and TANF EBT
  cards, costing the state millions to purchase equipment, train employees and establish a photo surveillance
  system.
- HB 3 triggers a federal law that would require all SNAP-approved retailers (i.e. grocery stores) to ask for photo ID from anyone paying with a credit or bank card.
- HB 3 contains a requirement for any person with a criminal history involving substance abuse to pay for a drug test prior to becoming eligible for SNAP, TANF or Medicaid. If people are already poor enough to be eligible for the programs, it is likely paying for a drug test up front would present a high hurdle. Public assistance participants do not have higher rates of drug use than other Kentuckians. Because the state will reimburse the applicant after a negative test, the costs to the state would be great.
- HB 3 contains measures that are likely illegal, resulting in legal fees for the state, including aspects of the drug testing requirements.