



House Financial Institutions and Pensions

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HB 2096

Presented by:

Sandra Kimmons

Assistant Director of Economic and Employment Services

Kansas Department for Children and Families

Rebekah Gaston, Director of Policy/Director of Economic & Employment Services
DCF Administration Building, 6th Floor
(785) 296-4475 rebekah.gaston2@ks.gov
www.dcf.ks.gov

Testimony of:

Sandra Kimmons, Assistant Director of Economic and Employment Services
Kansas Department for Children and Families

Testimony on:

HB 2096 Children's Savings Account Program

Chairman Kelly and Vice Chair Orr, and Members of the Committee:

Thank you for the opportunity to provide neutral written testimony regarding House Bill 2096.

House Bill 2096 provides TANF funding for eligible families whose children receive Medicaid, TANF, Food Assistance or Child Care Assistance to receive \$250 for future educational needs.

According to the Administration for Children and Families, TANF funds for a 529 savings plans are only available for TANF recipients; SGF funds would be required for funds added to 529 savings plans for recipients of Food Assistance, Child Care Assistance and Medicaid.

The fiscal note for this bill indicates that \$93.2 million would be needed from the SGF in FY 2020 to provide the initial \$250 funding to 529 accounts for the roughly 372,000 non-TANF children that are eligible for public assistance.

If the language of the bill is amended to limit the initial \$250 funding to 529 accounts to TANF recipients, the fiscal impact would be reduced to \$3 million in FY 2020, with these funds coming directly from TANF.

I thank you for the opportunity to address this important issue.