



CABINET FOR HEALTH
AND FAMILY SERVICES

SNAP Cost Sharing Relative and Fictive Kin

Department for Community Based Services

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Supplemental Nutrition Assistance Program (SNAP)

Governor's Recommended Budget:

- Payment Error: Authorize that any federally required state share of SNAP benefits resulting from a payment error rate higher than 6% be deemed necessary government expenses and funded through the General Fund Surplus (KRS 48.700) or Budget Reserve Trust Fund (KRS 48.705).
- Administrative Costs: Authorize General Funds including \$43.5 million in fiscal year 2027 and \$58 million in fiscal year 2028 for the federal cost sharing under H.R. 1 that Congress passed in July 2025.

Supplemental Nutrition Assistance Program (SNAP)

SNAP provides monthly benefits to eligible low-income individuals and families in Kentucky to help purchase food.

- Benefits are issued through an Electronic Benefit Transfer (EBT) card
- Helps improve food security and nutrition
- Eligibility is based on income, household size, and certain expenses
- Administered by the Kentucky Cabinet for Health and Family Services (CHFS)
- Federally funded through the U.S. Department of Agriculture (USDA)

SNAP by the Numbers

December 2025

- 274,306 Active SNAP Households
- 576,667 Individuals
- \$99,209,044 SNAP Issuances – Currently 100% Federally Funded

Average SNAP per Household \$343 per Month

SNAP Retailers in Kentucky

Store Type	Count
Convenience Store	2,105
Farmers and Markets	136
Grocery Store	302
Other	1,409
Specialty Store	52
Super Store	296
Supermarket	261
Total	4,561

Other = Primary business is sale of general merchandise but also sell a variety of food products. Such stores include independent drug stores, dollar stores, and general stores.

Federal Cost Share to SNAP with H.R. 1

1. Cost share of SNAP Administration (cost share from 50% state / 50% federal to 75% state / 25% federal)

- Cost sharing is a condition for participation in SNAP for all 50 states.

SFY27	SFY28
\$43.8M	\$58M

2. Cost share for states with payment error rates (PER) exceeding 6%

- Cost share is based on payment error rate

FFY25 – Kentucky current PER is 4%

- Upcoming state budget there will be no cost share related to the PER for Kentucky.

Components of SNAP Administration

Personnel

Program
Integrity

Technology

Other
Operations

Personnel

Supports:

- Salaries
- Fringe benefits
- Contracted staff
- Training

Costs influenced by:

- Salary/retirement levels
- Changes at federal/state level
- Complexity of program rules
- Application/call volumes

Program Integrity

Supports:

- Fraud detection and recovery
- Income and employment verification tools
- Hearings and independent audits
- Quality control
- Funding for Auditor of Public Accounts, Office of Inspector General, Office of Attorney General

Costs influenced by:

- Changes in federal/state rules
- Upgrades to technology and tools needed to address scams/fraud
- Hearing/appeals volume

Technology

Supports:

- Operation and maintenance of integrated eligibility and enrollment system
- Software tools built into system to assist with income and eligibility verification across federal programs
- Federal compliance reporting
- Change requests to comply with federal and state changes

Costs influenced by:

- Federal and state changes to eligibility rules
- Software and licensing costs

Other Operational Components

Supports:

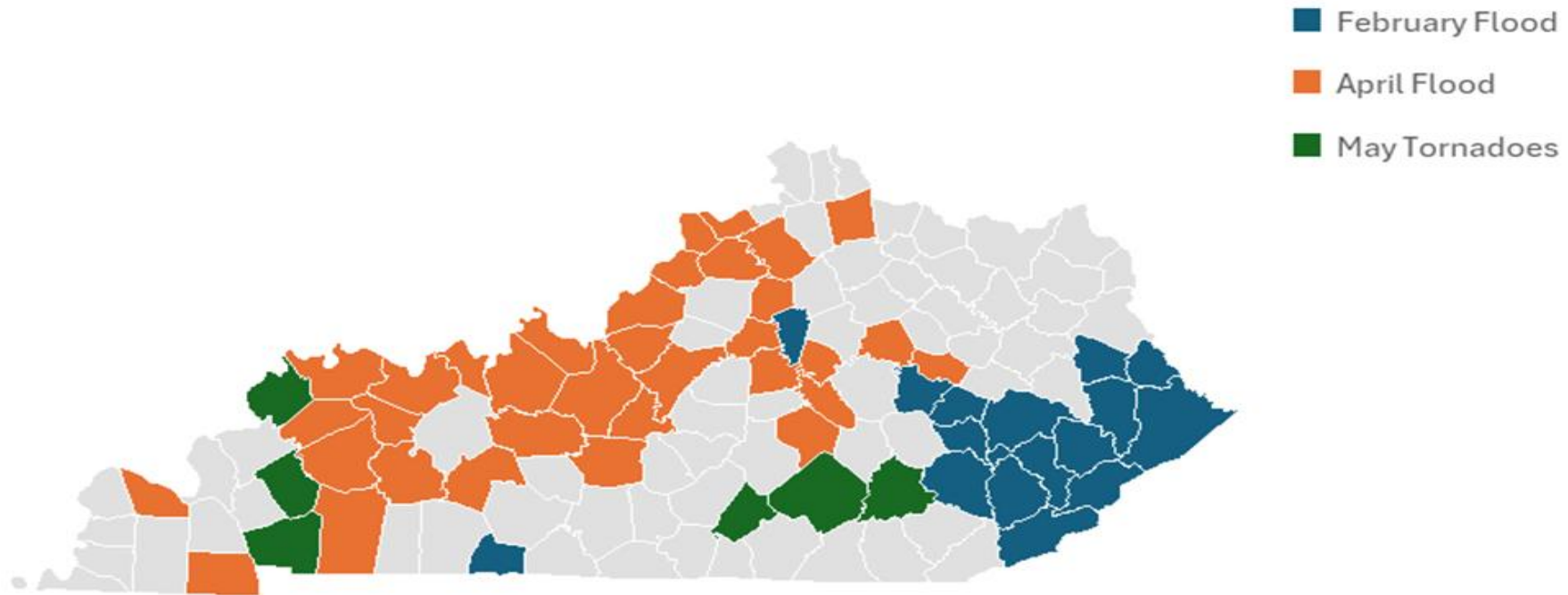
- Contracted vendor to issue EBT cards/replacement
- Disaster SNAP (D-SNAP)
- Facility Cost

Costs influenced by:

- Number of households enrolled
- Emergency/disaster declarations necessitating special benefit category
- Increases in cost of office leases, utilities, etc.

2025 Disaster SNAP Deployment

Disaster SNAP (DSNAP) 2025



Summary

SNAP Payment Error Rate (PER):

- Federal changes under H.R. 1 shift certain SNAP program costs to states.
- Kentucky's SNAP payment error rate remains below the 6% H.R. 1 threshold; therefore, no immediate General Fund impact is anticipated.

SNAP Administrative:

- Additional General Funds are requested to support SNAP Administrative costs, reflecting the new 75% state / 25% federal cost share.
- This request reflects a federal cost share, not an expansion of SNAP benefits or services.

Relative and Fictive Kin Caregiver Supports

Governor's Recommended Budget:

- Include \$14,600,000 in each fiscal year's General Fund appropriation to fully implement 2024 Regular Session SB 151 as codified at KRS 620.142.

Current Service Array

- Fictive Kin (KRS 600.020)
 - An individual who is not related by birth, adoption, or marriage to a child, but who has an emotionally significant relationship with the child, or an emotionally significant relationship with a biological parent, siblings, or halfsiblings of the child in the case of a child from birth to twelve (12) months of age, prior to placement.
- Kinship Navigator
- Initial Placement Options:
 - Temporary Custody
 - Relative/Fictive Kin Foster Parent

SB 151 Expanded Relative and Fictive Kin Support

- **120 Day Decision Window:**
 - If the Department places a child with a relative or fictive kin due to dependency, abuse, or neglect, that caregiver has 120 days to apply to become an approved foster parent.
- **Qualifying Event:**
 - Caregivers may also apply if a specific "qualifying event" occurs.

Subsidy Cost

- **Impacted Population:**
 - Approximately 1,000 children entered the temporary custody of relative or fictive kin caregivers in the 120-day decision window.
 - If relative/fictive kin are approved as relative foster home, caregivers will receive an average daily per diem of \$28.17.
- Children entering care under the provisions of SB 151 are ineligible for any federal funding.
- **Fiscal Need for Subsidies:**
 - \$10.3M annually in General Funds.

Workforce Cost

- To effectively manage rising caseloads, a total investment of \$4.3 million is required for personnel and professional development.
 - 28 New Social Service Workers to handle frontline casework.
 - 4 New Family Services Office Supervisors to maintain supervisor to staff ratios.
- Training
 - This would include mandatory training rollout for new hires and existing staff.

Relative/Fictive Kin Budget Request Summary

- Governor's budget recommendation of \$14.6 million in State General Fund appropriation each year to fully implement 2024 Regular Session SB 151 as codified at KRS 620.142.

Questions?