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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:

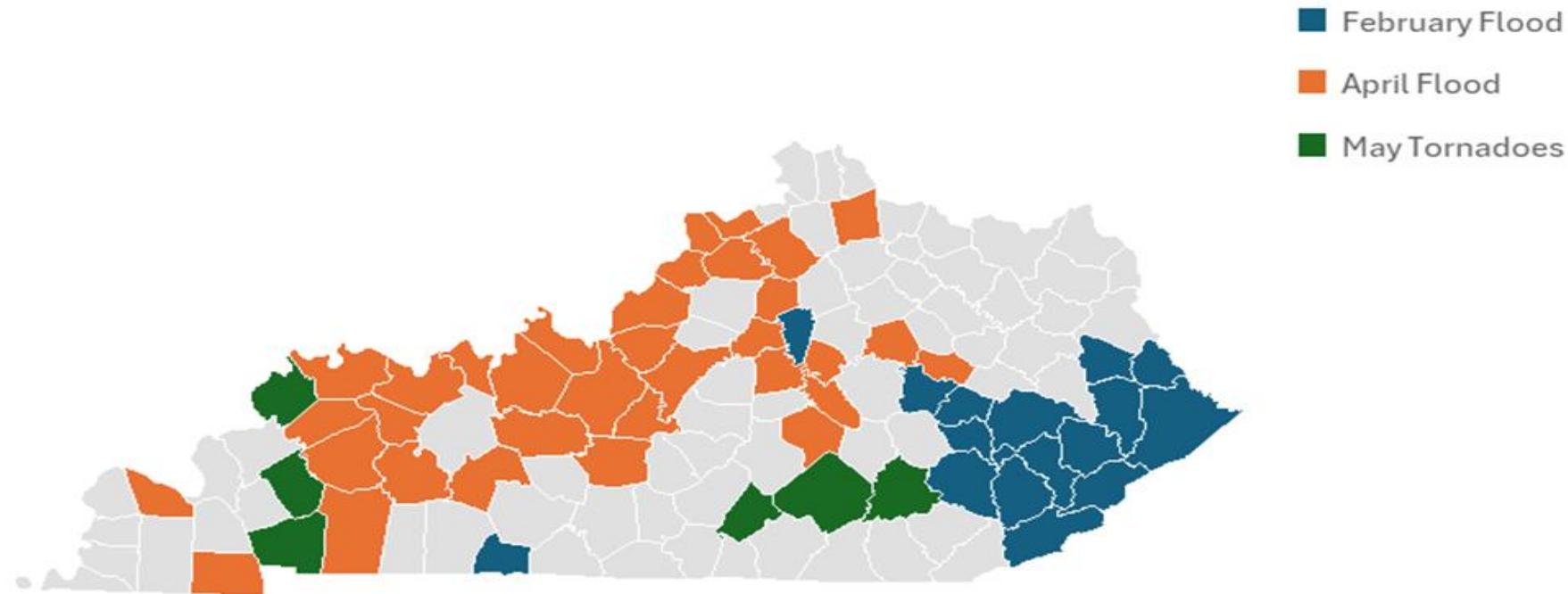
- Contracted vendor to issue EBT cards/replacement
- Disaster SNAP (D-SNAP)
- Facility Cost

## 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?