

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2026 REGULAR SESSION**

MEASURE

2026 BR NUMBER 2143

SENATE BILL NUMBER 257

TITLE AN ACT relating to Supplemental Nutrition Assistance Program eligibility.

SPONSOR Senator Shelley Funke Frommeyer

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE STATE
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Department for Community Based Services

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2025-2026	2026-2027	2027-2028	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES			See explanation	See explanation
NET EFFECT			See explanation	See explanation

() indicates a decrease/negative

PURPOSE OF MEASURE: The measure changes the Supplemental Nutrition Assistance Program’s (SNAP) eligibility requirements and verification processes.

FISCAL EXPLANATION: This bill increases the frequency of verification checks, which would require additional staff and technology modifications. The estimated cost is approximately \$1.6 million in the year of implementation, including \$1.36 million in one-time technology upgrades and \$243,900 in personnel costs. Personnel expenses would continue in subsequent years. The state is responsible for 75% of administrative costs, with the federal government covering the remaining 25%.

House Resolution 1 requires the state to pay a penalty if payment error rates exceed specified thresholds. If the increased complexity and frequency of verification checks result in error rates exceeding 6%, the state could be subject to penalties ranging from 5% to 15% of SNAP benefit expenditures.

Additionally, the bill would likely reduce the number of eligible SNAP enrollees due to more frequent reviews, stricter verification requirements, and the elimination of Broad-Based

Categorical Eligibility, which currently raises the gross income eligibility threshold and removes the asset test. This change would reduce federal expenditures.

However, because the impact on participant enrollment and error rates is uncertain, the overall fiscal impact of this legislation is indeterminable.

DATA SOURCE(S): LRC Staff, Cabinet for Health and Family Services
PREPARER: Sara Rome NOTE NUMBER: 126 REVIEW: JMR DATE: 3/23/2026