

HB 3 Proposes Massive, Expensive and Ineffective Bureaucracy That Will Hurt Kentucky Families and Open State to Legal Problems

HB 3 Hurts Kentucky Kids and Families

- HB 3 cuts federal dollars used on cash assistance through the Temporary Assistance for Needy Families (TANF) program by 78 percent. This assistance overwhelmingly goes to children in extremely poor families – over half by caregiver relatives rather than parents. More than 27,000 children could be harmed by the limits, even though research has found that even small increases in household income as a child has measurably positive impacts on educational, health and, later in life, employment outcomes.
- HB 3 puts up barriers to modest food assistance received by the parents of children over the age of five. Recipients would need to participate in “workfare” – essentially an unpaid internship – if they are not already working at least 20 hours a week. Workfare has not been shown to be effective in moving families to self-sufficiency and work activity reporting requirements are proven tripwires even when the participant is working. The requirement would result in cutting access to food for kids and families already struggling to put food on the table.
- HB 3 codifies work reporting requirements for Medicaid recipients. A similar requirement implemented by Arkansas last year has already resulted in 18,000 residents losing healthcare, even though many are working.

HB 3 Creates New Massive, Expensive and Ineffective Bureaucracy

- HB 3 would require an expensive administrative system to monitor many thousands of parents through the workfare program and coordinate with nonprofit organizations across the state to set up workfare sites – something the nonprofit community has already rejected.
- HB 3 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 that would be distributed to each SNAP retailer in the state. This would do nothing to address what little SNAP trafficking actually exists.
- 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 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 a fee up-front would present a high hurdle. And because the state will reimburse the applicant after a negative test, and public assistance participants do not have higher rates of drug use, 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.