

February 10, 2026

The Honorable Francis Averkamp, Chairperson
House Committee on Welfare Reform
300 SW 10th Avenue, Room 152-S
Topeka, Kansas 66612

Dear Representative Averkamp:

SUBJECT: Fiscal Note for HB 2738 by House Committee on Welfare Reform

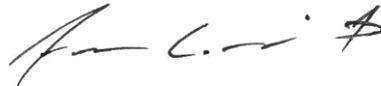
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2738 is respectfully submitted to your committee.

HB 2738 would require the Secretary for Children and Families to request a waiver from the United States Department of Agriculture, Food and Nutrition Services to exclude candy and soft drinks from the definition of eligible foods. If a pending waiver application exists, the Secretary would be required to amend and re-submit such waiver application. The Secretary would be required to apply for the waiver annually until granted. The bill would also define "candy" and include the definition of "soft drinks" as defined in statute.

The Office of Judicial Administration, the Kansas Department of Labor, Kansas Department of Commerce, and the Department for Children and Families (DCF) indicate that enactment of HB 2738 would not have a fiscal effect on the courts or the agencies. DCF states that a waiver request has been submitted. To be granted a waiver, additional monitoring and reporting may be required by Food and Nutrition Services. It is not known at this time what these additional requirements may entail.

The Kansas Association of Counties indicates that enactment HB 2738 could affect sales taxes. The bill could increase the administrative or enforcement burden on counties which would increase expenditures.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt". The signature is fluid and cursive, with a distinct flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Kim Holter, Department for Children & Families
Amy Penrod, Department of Health & Environment
Dawn Palmberg, Department of Labor
Sherry Rentfro, Department of Commerce
Trisha Morrow, Judiciary
Jay Hall, Kansas Association of Counties