

Connie Bahner

From: Jordan Milholland
Sent: Wednesday, February 19, 2020 5:43 PM
To: John Barker
Cc: Connie Bahner
Subject: Tobacco Enforcement Grant Moneys-Kansas

Chairperson Barker,

You requested information regarding the amount of federal grant funding Kansas receives to for tobacco enforcement and compliance, because recently enacted federal law would (after 3 years) begin to reduce the amount of grant money awarded to the state if the state failed to enforce the new tobacco age limit of 21 years of age. The below information from KDADS is what I summarized during the bill hearing.

The KLRD fiscal analyst assigned to KDADS contacted the agency to determine the amount of funding Kansas receives. He received the below response:

The Synar Amendment that requires the State to do inspection/controlled buys is an unfunded mandate. We do not receive any specifically designated federal funding to assist with this. Our contract with KDOR to conduct these inspections is \$400K annually, and Greenbush provides assistance with the random selection, analysis, and report preparation.

The SABG grant is impacted by the penalty under the Synar Amendment. Kansas received and expended \$12,322,866.00 for SABG in SFY19. The amount is formula-based and subject to change year to year based on a number of factors. It is likely to go down during SFY20.

Additionally our understanding is that SAMHSA has three years to fully implement the changes to the Synar Amendment.

Note: SABG stands for the federal Substance Abuse Block Grant; and SAMHSA stands for the Substance Abuse and Mental Health Services Administration of the US Department of Health and Human Services.

Here is a link for more information regarding the potential penalties for failure to comply with Synar: <https://www.samhsa.gov/synar/requirements>.

Additional Information on the Federal Legislation:

Prior law allowed for escalating penalties of 10, 20, 30, and 40% of grant moneys for noncompliance in consecutive fiscal years. The act now allows **up to 10, 20, 30, and 40% in penalties**, and also allows states to appropriate additional state funds toward enforcement in lieu of the grant money penalty. The act further states the Secretary of Health and Human Services may not withhold amounts for 3 years after enactment and must use discretion for two additional years. Finally, the act authorizes **\$18.5 million in transitional grants** to be awarded to states each year between FY 20-FY 24 to plan for or ensure compliance with the new federal policies.

Sincerely,
Jordan Milholland

Jordan Milholland
Senior Research Analyst
Legislative Research Department
Room-68-West
State Capitol Building
300 SW 10th Avenue
Topeka, KS 66612-1504
(785)296-3923
Jordan.Milholland@KLRD.ks.gov