Maryland
Department of Human Services

FY 2026 OPERATING BUDGET
FAMILY INVESTMENT ADMINISTRATION - N00I00
Response to Department of Legislative Services Analysis

Senate Budget and Taxation Committee
Health and Human Services
Senator Cory McCray
February 24, 2025

House Appropriations Committee
Health and Social Services
Delegate Emily Shetty
February 20, 2025

Honorable Chair and Members of the Subcommittee, my name is Carnitra White and I serve as the Principal Deputy Secretary of the Maryland Department of Human Services (DHS). On behalf of DHS, I thank Governor Moore, Lieutenant Governor Miller, the Department of Budget and Management (DBM), and the Budget Committees for their support. We are also grateful to the Department of Legislative Services Analyst Tonya Zimmerman for her assistance leading up to today's hearing. Joining me at the table is Augustin Ntabaganyimana, Executive Director of the Family Investment Administration, and Acting Chief Financial Officer Jessica Smith. We have senior members of our leadership team, including leaders from the Family Investment Administration (FIA), and directors of our local departments of social services present in the audience as well.

About the Family Investment Administration

At DHS, our mission is to empower every Marylander to reach their full potential through preventative and supportive services, economic assistance, and meaningful connections to workforce development and career opportunities. We are committed to unlocking opportunities for the over one million Marylanders we serve.

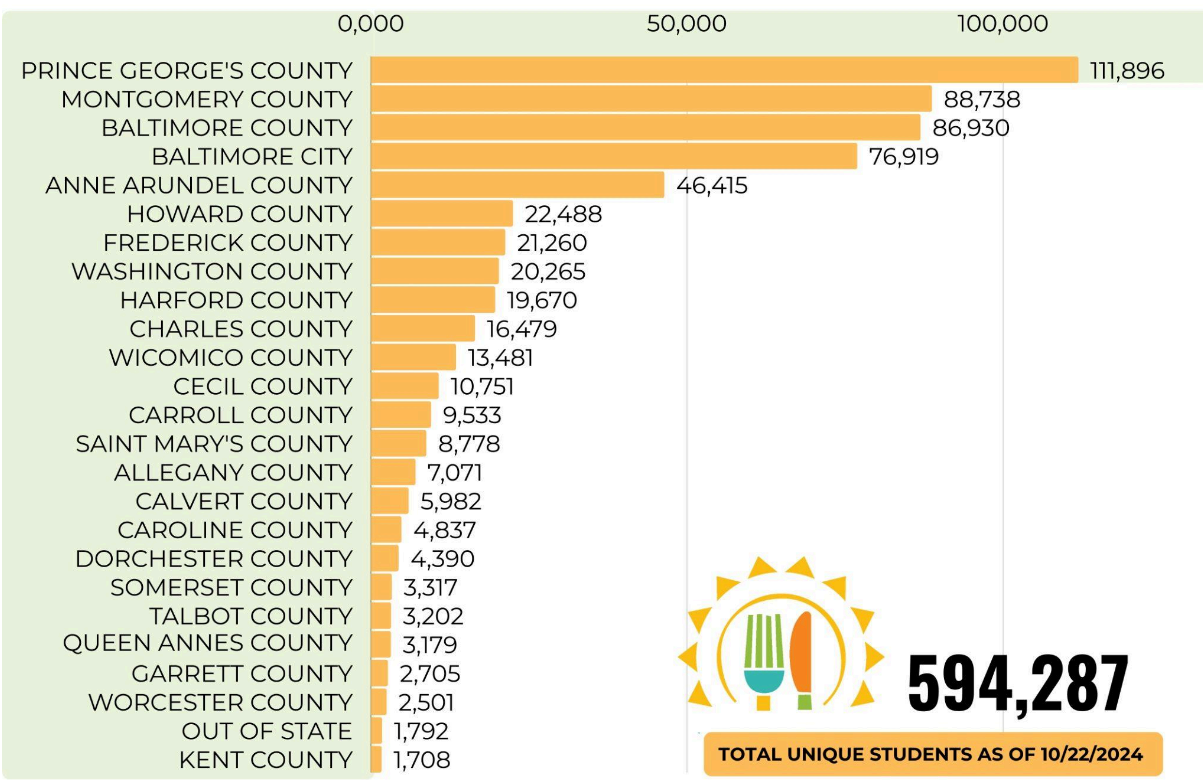
The Family Investment Administration is the largest DHS service program, accounting for 64% of our $4.2 billion budget and serving almost 1 million Marylanders annually. This team administers essential programs that ensure seniors do not have to choose between paying for medicine and paying for rent, helps families put food on the table, supports families in safely keeping children in their homes, and fosters connections to work and career development opportunities, ensuring that every Marylander has an opportunity to obtain a career with family sustaining wages.

Today, we would like to highlight a few key areas of our work that contribute to Governor Moore's goal of ending childhood poverty in Maryland.

SUN Bucks Program

This past summer, we launched the SUN Bucks program—an initiative aimed at supporting children who lack access to free school meals during the summer break. Thanks to the General Assembly's support in 2024, we were able to deliver over $71.5 million in direct summer nutrition benefits to more than 594,000 students, marking Maryland's largest investment in the fight against childhood summer hunger. For students we served, please see the table below.

SUN BUCKS ISSUANCE BY JURISDICTION SUMMER 2024

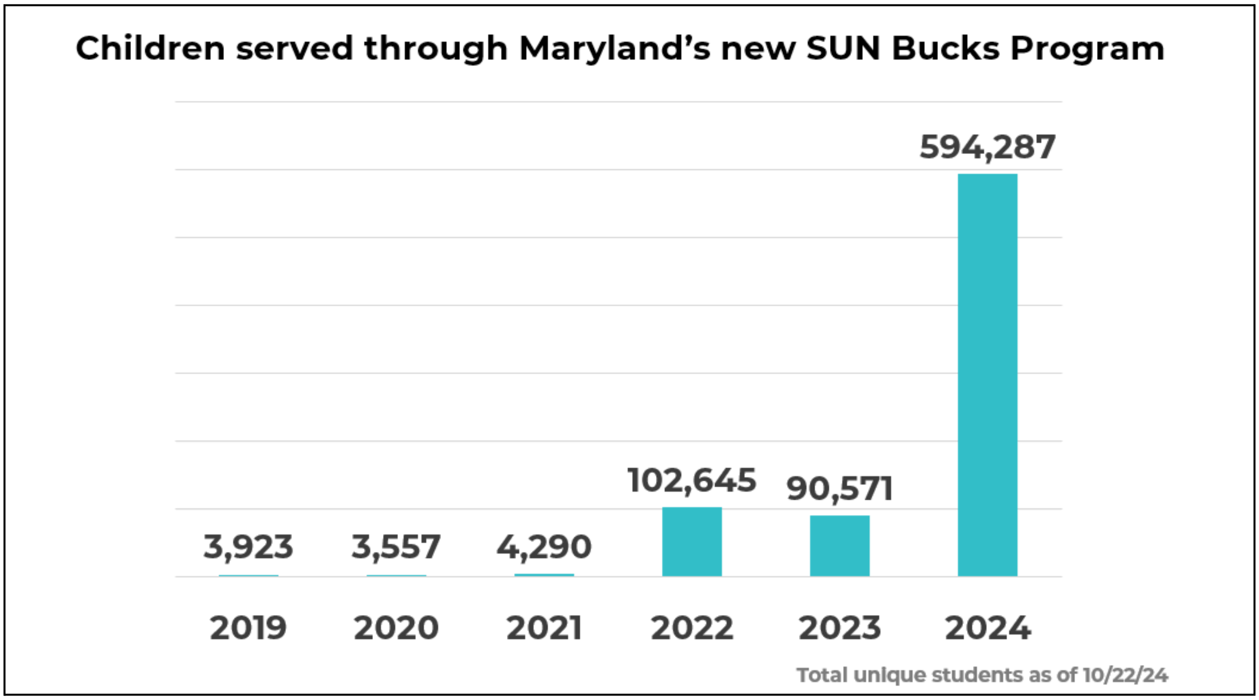


594,287 total includes 1,792 Maryland students with out of state addresses

Our 2024 SUN Bucks work represents a 6-fold increase in the number of children receiving Summer SNAP benefits in 2023. In certain regions, such as the Eastern Shore and Western Maryland, the impact was even more dramatic—showing a 10-fold and 71-fold increase, respectively.

We were successful in our efforts this summer because we automatically enrolled eligible families, and simplified access with applications that did not require families to demonstrate eligibility over and over again. We are deeply grateful to the Maryland State Department of Education and the Maryland Department of Health for their crucial partnership in this effort.

The table below compares the number of students served over the past six years.



Adding to its success in 2024, DHS applied for and received technology grants from the U.S. Department of Agriculture and No Kid Hungry. The combined $1.7 million in grant funding will enhance communication with students and improve our SUN Bucks customer portal that families use to apply for the program.

Increased Minimum SNAP Benefits

As of October 1, 2024, we implemented Senate Bill 35 (2024), which increases an important supplement for older adults participating in SNAP. If a SNAP household includes an individual 60 years or older and receives less than $50 in federally funded benefits, we provide a supplement to ensure the total benefit reaches the state minimum of $50. The state minimum was $40 prior to October 1, 2024. The increased benefit amount helps offset the continuously increasing cost of food. SB 35 has already benefited nearly 30,000 households, making a meaningful difference in the lives of Marylanders over 60 years old who rely on SNAP.

Restoration of Stolen Benefits
Since March 2023, DHS has replaced over $35.2 million in stolen benefits for more than 60,842 Maryland households. As of December 20, 2024, the federal government is no longer funding the replacement of stolen SNAP benefits. Stolen SNAP benefits make up about 79% of all benefits stolen from Marylanders.[1] We are using appropriated state general funds to continue to replace stolen benefits.

In Fall 2023, we introduced new Electronic Benefit Transfer (EBT) card security features, including the ability to lock/unlock EBT cards and receive alerts to monitor transactions. Our average monthly reimbursement of stolen benefits has decreased by over 20% in the past ten months compared to the first year of program implementation. However, we recognize that more must be done to resolve this national crisis, and are continuously working with our federal partners and other states to prevent benefit theft.

Helping Low-Income Marylanders Achieve Economic Self-Sufficiency
Every Marylander who is willing and able to work should have the opportunity to secure a job with family-sustaining wages. In fiscal year 2024, we helped 9,504 Temporary Cash Assistance (TCA) and SNAP participants find employment; a 13% increase from the previous year. Our department continues to collaborate with community-based organizations, private foundations, and the Maryland Department of Labor to ensure job training and employment services are accessible across the state.

Innovative Approaches
We are committed to the Governor's goal of ending childhood poverty and leaving no one behind. In 2025, we launched two new efforts to assist us in ending childhood poverty.

First, to expand our outreach efforts and strengthen community partnerships, we created the Office of Benefits Access (OBA) using existing DHS vacant positions. OBA will spearhead our outreach efforts and ensure that Marylanders - especially those in greatest need - can easily access available resources and benefits. The OBA team will connect with stakeholders across the state to further identify and address enrollment barriers faced by Maryland residents.

Second, we launched a new cross-agency partnership that brings together the CASH Campaign of Maryland and the Department of Service and Civic Innovation (DSCI) to establish Volunteer Income Tax Assistance (VITA) sites at Local Departments of Social Services.

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[1] As of February 14, 2025, $27,63,229 were replaced SNAP benefits; total replaced was $35,194,966.

Our collaboration leverages Maryland Corps Members, who receive specialized tax preparation training and IRS certification through the CASH Campaign, while being supported by DSCI. Working in partnership with the Comptroller's Office and Bank On Maryland, VITA programs provide free tax preparation to low and moderate-income households. Tax preparation helps clients retain more of their hard-earned money and access valuable credits like the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC). Research demonstrates the EITC and CTC are effective in reducing childhood poverty.

Both of these efforts are bold new solutions to assist Marylanders in accessing available resources and services.

Welcoming and Integrating Refugees and Immigrants
The Maryland Office for Refugees and Asylees (MORA) continues its critical work in supporting immigrant communities. In Federal Fiscal Year 2024, we served a record 10,620 humanitarian immigrants, nearly double the number from the previous year.

We have an obligation to protect Marylanders, including members of our immigrant communities. We are guided in our work by four values:

1. We will deliver for Marylanders;
2. We will defend our constitutional rights;
3. We will grow our economy; and
4. We will restore faith in our public servants, our institutions, and our democracy.

We remain committed to supporting refugees who have already been resettled in Maryland. We continue to provide critical services, including economic assistance, case management support, employment development, and other essential resources to ensure the new Marylanders have the support they need.

Finally, we would like to express our heartfelt gratitude for your continued support of our work and give a special thanks to our employees across the state. Their commitment ensures that every Marylander has the resources to address immediate challenges and achieve long-term success. We look forward to working together to build a brighter future for all Marylanders.

DHS Responses to DLS Analysis:

DHS should comment on the cause of the recent increases in applications particularly for TCA and TDAP and efforts to reduce application process times for TDAP. (pg. 10, DLS Analysis)

DHS Response: The average number of monthly TDAP applications has increased from 3,790 in state fiscal year (FY)24 to 5,489 in FY25 (as of January 31, 2025) while the number of TCA applications has increased from 4,639 to 4,946 during the same time period. We believe that rising economic pressures from inflation may be prompting more individuals to apply for TCA and TDAP. According to the U.S. Census Bureau report, the cost of living has fluctuated significantly over the past five years. Between 2021 and 2022, the Consumer Price Index for All Urban Consumers showed a 7.8% increase in prices, marking the largest annual rise since 1981. This sharp rise in living costs and its impact on household budgets, may be a reason for the increase in TCA and TDAP applications.

The application processing timeline for TDAP has not increased. The most recent report, covering activities from August to October 2024, reveals that the average processing time for TDAP applications was 25.3 days. This marks an improvement compared to May and June 2024, when applications took an average of 26.3 days to process. The department continues to consistently meet the 30-day processing requirement and remains committed to continuous improvement.

DHS should discuss efforts to reduce TDAP application denials due to verification and SSI-related cooperation. (pg. 11, DLS Analysis)

DHS Response: DHS has a contract with Maximus to help TDAP recipients pursue SSI benefits as a condition of receiving or maintaining TDAP benefits. Every TDAP applicant is advised of this service, which is available at no cost to the recipient.

Further, we are working with MDTHINK and Code for America to develop a mobile first consumer portal which, when completed, will make it easier for customers to submit verifications utilizing mobile devices.

DHS should discuss factors contributing to the growth in [TCA] application denials due to failure to cooperate with child support and efforts it is undertaking to increase cooperation to reduce denials due to this reason. (pg. 12, DLS Analysis)

DHS Response: Federal law requires TANF applicants to cooperate with child support services as a condition of eligibility. While Maryland's regulations outline specific cooperation requirements, including parent identification, paternity establishment, and support collection efforts, we recognize this can present barriers for families seeking assistance.

In response to our recent Comprehensive TCA Program Evaluation and ACF's January 2025 "Dear Colleague" letter on state TANF and Child Support Cooperation Flexibilities, in 2025, we are working to identify opportunities to reduce barriers while maintaining program integrity and aim to better support families.

DHS should discuss the cause of the recent increase in [TDAP] closures related to disability status. (pg. 19, DLS Analysis)

DHS Response: According to our most recent JCR regarding case closures, application processing, and denials, the recent increase in TDAP closures related to disability status are due to the following causes:

1. Applicant was determined not disabled or was not deemed medically ineligible for work by a healthcare provider;
2. Applicant did not complete an SSI application; and
3. The applicant was receiving earned income.

Applicants who are not disabled and those receiving earned income are not eligible for TDAP.

DLS recommends adding language restricting funds pending resolution of the repeat audit findings consistent with a request of the Joint Audit and Evaluation Committee. (pg. 23, DLS Analysis)

DHS Response: We do not concur with the recommendation to restrict funds as we made significant progress towards resolving repeat audit findings in 2024.

The Office of Legislative Auditors in October and December 2024 advised that FIA has satisfactorily implemented recommendations for two of the 5 repeat findings. We believe of the remaining findings (#6, 7 and 9) are effectively resolved. For finding

#7, the auditor stated that FIA did not ensure that the Local Departments of Social Services conducted timely and appropriate follow-up on PARIS alerts. We believe that this finding was imposed based on an incorrect policy interpretation and should be closed. The incorrect interpretation was that local departments must act upon every PARIS alert. We have confirmed with FNS that information obtained in PARIS matches might only be used to update the case at initial application and redetermination. We also believe that findings 6 and 9 are resolved as we have implemented the actions in our corrective action plan. A detailed status quarterly update on the 2022 audit report was provided to the Office of Legislative Audits on February 18, 2025.

DHS should discuss the cause of the delay in completing the [TDAP benefit] calculation, and why, in a break from historical practice, it did not provide the benefit increase in October nor make the benefit increase retroactive to October. DHS should also discuss whether the increase in benefits was provided to TDAP recipients, and, if not, why the increase in benefits was not provided. (pg. 27, DLS Analysis)

DHS Response: TCA benefit increases are based on annual Maryland Minimum Living Level (MLL) calculations. Following recent MLL calculations, TCA benefits increased for the first time since 2019, with an effective date of January 1, 2025. In accordance with AT#22-12, the TDAP benefit increase was implemented in the Eligibility and Enrollment (E&E) system to align with the TCA benefit increase in January.

DHS should discuss when this [Call Center funding] realignment will occur for fiscal 2025 and 2026. (pg. 30, DLS Analysis)

DHS Response: We intend to make this realignment for FY2025 with the submission of the final budget amendment. We intend to make this realignment for FY2026 within the first quarter of FY2026.

DLS recommends reducing the federal funds for SNAP by $200 million to better align with anticipated spending while leaving a surplus of approximately $150 million in the event of unexpected caseload growth. (pg. 35, DLS Analysis)

DHS Response: We do not concur with this recommendation and support the Governor's introduced budget. In this time of economic and federal government uncertainty, we do not recommend that federal funding flexibility be reduced.

DHS should comment on why the agency was delayed in posting the notice as required on the DHS website and the delays in sending the notices to the TCA recipients whose cases had closed. DHS should also discuss whether it has posted the notices at the LDSS offices as required. (pg. 39, DLS Analysis)

DHS Response: We did not post the notices due to staff turnover. We apologize, and are taking corrective actions in February 2025 as we prioritize our work.

We have posted a notice to our website. We plan to post notices within local departments of social services (LDSS) notices this month. We intend to reach recipients by email and postal mail.

DHS should discuss the timeline for determining the cost of the changes (E&E system modifications related to Voluntary Resolution Agreement) and how these costs will be covered within its fiscal 2025 and 2026 budgets. (pg. 41, DLS Analysis)

DHS Response: We estimate that it will cost $146,400 to cover the cost of the system changes required by the VRA. In coordination with MDTHINK, we will submit an as needed Advanced Planning Document to request federal financial participation to cover this expense at a 90/10 ratio federal to state. This work has been given the highest priority and is planned to be implemented by June 2025.

DHS should discuss the number of individuals expected to provide notification, the timeline for appeals after the notifications are sent, and the timeline for issuance of any benefits related to underpayment if appeals are lost. DLS also recommends restricting funds pending a report on the number of notifications sent, the number of appeals filed, the number of appeals lost, the dollar value of benefits required due to lost appeals, the timeline for providing these benefit issuances, as well as other status updates on the agreement. (pg. 41, DLS Analysis)

DHS Response: We will provide the requested report, but we kindly request that funding remain unrestricted so that we can continue implementing the VRA.

Our initial analysis indicates that 11,266 individuals will receive notices. We expect that a smaller subset will appeal or reapply for benefits. Once an individual receives a right-to-appeal notice, the following process will occur:

1. The individual will have 90 days from the date of the notice to file an appeal.

2. DHS will forward the appeal notice and case information to the Office of Administrative Hearings (OAH) within five (5) business days.

3. OAH will schedule a hearing for the case and issue a decision.

4. DHS will execute the OAH's decision upon receipt.

The individuals who will receive notices might reapply for TCA at any point before, during, and after the appeal process.

DHS should discuss the timeline of transferring the appropriation [for SUN Bucks Administrative Funds] from the Assistance Payments program. (pg. 48, DLS Analysis)

DHS Response: We will work with DBM to submit a budget amendment to transfer the SUN Bucks Administrative Funds from the Assistance Payments program prior to submitting the final FY2025 closing budget amendment.

DHS should discuss why position counts for the department do not reflect these 100 contractual FTEs and why the department is using contractual FTEs for ongoing activities given the available vacant positions. (pg. 48, DLS Analysis)

DHS Response: SUN Bucks positions were initially unbudgeted and without state merit "PINs." As a result, we created contractual positions in order to quickly stand up this program in 52 days.

DHS has created 100 contractual positions for the SUN Bucks program in the Workday system. Of these positions, 71 are currently filled.[2] We continuously recruit for these positions, and some employees have moved to state merit positions. Of the 100 positions, 95 positions are in local departments; of the 20 unfilled positions, they are exclusively in our local departments of social services.

DHS has taken deliberate steps to reduce vacancies within the Family Investment Administration. On January 1, 2023, the vacancy rate across FIA was 15.54%, on February 13, 2025 the vacancy rate was 7.10%, down 8.44%. We are actively working to continue to bring the vacancy rate down to meet the scope of responsibilities within FIA, which has grown over time. As we indicated in testimony last year, we believe that the Department has been systematically under-resourced for a number of years, and that the scope of responsibility has not kept up with the available resources. As a

[2] In addition to these contractual positions, we redeployed a vacant State Regular position, PIN 092978 to serve as the program deputy director.

result, all positions are valuable, including the funding for these contractual positions and allocated to take on needed tasks.

Therefore, DLS recommends reducing the administrative funds by $2.2 million based on current staffing levels and the availability of funding through vacancy savings to support the administrative expenses. DLS also recommends deleting the remaining $9.4 million from the Assistance Payments program and adding these funds to the Director's Office for this purpose. In addition, DLS recommends adopting committee narrative requesting a report on summer 2025 participation, issuances, and details on administrative expenses and positions supporting the program. (pg. 48-49, DLS Analysis)

DHS Response: We concur with the report request, but request a due date of December 1, 2025 to align with federal reporting requirements. We do not concur with the proposed reduction. It is impossible to estimate vacancy savings for a program that has only existed since June 2024. Any reduction in our personnel staffing will directly impact our ability to implement SUN Bucks in 2025.

We raced to implement SUN Bucks in 52 days to ensure that children received timely assistance so that they would not experience food insecurity during the summer. This means that the program started with a skeleton crew but we have since made significant progress toward filling budgeted positions. As of January 2025, 80% of the positions had been filled. SUN Bucks staff determine eligibility on program applications, manage returned cards, conduct outreach, manage appeals, correct errors as necessary and manage inquiries for nearly 600,000 recipients. The Case Managers also work with local school systems to address concerns raised by parents/guardians. They manage fair hearing requests and support clients through the fair hearing process. A reduction in state general funds will directly decrease the amount of federal administrative funds on a 1:1 basis, and we will leave funds on the table.

In addition, we anticipate that it will incur additional mailing and EBT card production and operation costs due to the increase in the estimated population. Our FY 2025 budget was based on an estimated 500,000 recipients. We estimate that approximately 600,000 students will receive assistance during summer 2025 / FY2026.

DHS should discuss the reason for ABAWD-related closures occurring in jurisdictions with waivers in place. DHS should also discuss outreach and other efforts undertaken to work with ABAWD recipients prior to closure to limit the number of closures due to the time limit. (pg. 50, DLS Analysis)

DHS Response: The report that shows ABAWD closures in ABAWD-exempt jurisdictions is incorrect. The error occurs when a SNAP household subject to ABAWD requirement moves to an exempt jurisdiction and vice versa. We are working to resolve the reporting error.

DHS Response to DLS Recommended Actions (starting pg. 38, DLS Analysis):

1. ***Add the following language:***

    , provided that $500,000 of this appropriation made for the purpose of administrative expenses in the Office of the Secretary may not be expended until the Department of Human Services submits a report detailing for the fiscal 2025 working appropriation as reflected during the 2025 legislative session and fiscal 2025 actual expenditures: (1) Assistance Payments program spending by public benefit program separately by program and fund source; (2) Foster Care Maintenance Payments program spending by placement type including average monthly cases, average monthly placement costs, and expenditures, along with detail on flexible fund spending by type of spending with detail for the program by fund source; (3) Temporary Assistance for Needy Families revenues, expenditures by program, and ending balance; (4) special and federal fund sources of expenditures by program. The actual spending detail shall reconcile to information reported to the Comptroller of Maryland or include an explanation of why the information does not reconcile. The report shall also provide explanations of General Fund reversions and special, federal, and reimbursable fund cancellations by program. In addition to the report submission, data shall be provided in an electronic format subject to the concurrence of the Department of Legislative Services. The report shall be submitted by October 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

DHS Response: We concur with the report request, but request a due date of December 1, 2025.

2. ***Add the following language:***

   Provided that all appropriations provided for program N00G00.08 Assistance Payments are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall be reverted or canceled.

DHS Response: We do not concur. We request an exception using the same language as FY2025 within the DLS suggested language stating that funds may be transferred to N00G00.01 Foster Care Maintenance Payments or N00G00.03 Child Welfare Services for the purpose of replacing federal Temporary Assistance for Needy Families fund spending.

3. ***Reduce administrative funds [-$1,100,000 (GF) and -$1,100,000 (FF)] for the SUN Bucks program based on current staffing levels and vacancy savings. The Department of Human Services reports that only 80 of the 100 contractual full-time equivalents (FTE) are filled as of January 29, 2025. In addition, the current vacancy rate of 7.6% is substantially higher than budgeted turnover (6.1%), which produces approximately $2.4 million of savings. A portion of the vacancy savings can be used to support these contractual FTEs.***

DHS Response: We do not concur for the previously stated reasons on SUN Bucks.

4. ***Delete administrative funds [-$4,700,000 (GF) and -$4,700,000 (FF)] for the SUN Bucks program to be added to an administrative program. Although for administrative purposes, these funds are included in the budget for the Assistance Payments program, which is used solely for the payment of public benefits. A separate action adds these funds to the Director's Office of the Family Investment Administration.***

DHS Response: We concur with the analyst's recommendation.

5. ***Reduce funding [-$1,750,000 (GF)] for the Public Assistance to Adults program to better reflect current caseload trends. The caseload declined by 25% in fiscal 2023 and an additional 3% in fiscal 2024, which is not reflected in the fiscal 2026 allowance. This level of reduction would still leave a modest surplus to cover forecasted shortfalls in other public assistance programs.***

DHS Response: We do not concur and support the Governor's proposed budget.

6. ***Reduce federal funds [-$200,000,000 (FF)] in the Supplemental Nutrition Assistance Program (SNAP) based on lower than expected caseload. The fiscal 2026 allowance includes approximately $1.86 billion for SNAP benefits. This level of funding could support more than 450,000 recipients, while the caseload in fiscal 2025 year to date is approximately 382,000. This reduction would leave an anticipated surplus of approximately $150 million in the event that caseloads or benefits are higher than anticipated.***

DHS Response: We do not concur for the previously discussed reasons.

7. ***Adopt the following narrative:***

   SUN Bucks Participation and Administration: The fiscal 2026 allowance includes funding to support the second year of participation in the SUN Bucks program, formerly known as Summer Electronic Benefit Transfer program. The committees are interested in continuing to monitor the operation of the program. The committees request that the Department of Human Services (DHS) submit a report that:
   - **provides details on the administrative costs of the program separately for fiscal 2025 and 2026, including the allocations by object of expenditure and purpose;**
   - **the number of regular positions or contractual full-time equivalents (FTE) supporting the program (including total and filled) and how these positions and contractual FTEs are allocated by budgetary program and/or jurisdiction if allocated within specific jurisdiction position complements;**
   - **the number of children receiving benefits by jurisdiction and month of issuance, the total number of unique recipients, and the dollar amount of benefits provided by jurisdiction and month of issuance;**
   - **the number of children receiving benefits that were directly certified and the number of children receiving benefits for which a separate application was submitted;**
   - **describes collaboration with the Maryland State Department of Education and local education agencies to implement the program; and**
   - **an update on the status of the Summer 2026 program including the timing of submission of the Notice of Intent to Participate and Interim and Final Plan of Operations.**

DHS Response: We concur with the report request, but request a due date of December 1, 2025 to align with federal reporting requirements.

8. ***Add the following language to the general fund appropriation:***

, provided that since the Department of Human Services (DHS) Family Investment Administration (FIA) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $250,000 of this agency's administrative appropriation may not be expended unless:

(1) DHS FIA has taken corrective action with respect to all repeat audit findings on or before November 1, 2025; and

(2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2026.

DHS Response: We concur with the report request, but do not concur on the funding restriction as we have made significant progress towards resolving repeat audit findings (please see above discussion).

9. ***Add the following language to the general fund appropriation:***

, provided that $250,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Human Services submits quarterly reports to the budget committees on application processing times, application denial rates, and case closures for benefit programs. In particular, the report shall include:

(1) the number of applications processed by benefit type for Temporary Cash Assistance (TCA), Supplemental Nutrition Assistance Program (SNAP), Temporary Disability Assistance Program (TDAP), and Public Assistance to Adults (PAA) separately by month;

(2) the average number of days to process applications by benefit type for TCA, SNAP, TDAP, and PAA separately by month;

(3) the percentage of applications processed in 0 to 30 days, 31 to 45 days, and longer than 45 days by benefit type for TCA, SNAP, TDAP, and PAA separately by month of application;

(4) the number and percentage of applications denied by benefit type for TCA, SNAP, TDAP, and PAA separately by month;

(5) the number and percentage of applications denied by reason for denial and by benefit type for TCA, SNAP, TDAP, and PAA separately by month;

(6) the number of case closures by benefit type for TCA, SNAP, TDAP, and PAA separately by month; and

(7) the reasons for case closure by benefit type for TCA, SNAP, TDAP, and PAA separately by month.

The first quarterly report shall include data for February through April 2025, and each subsequent report shall provide data for the appropriate quarter. The first report shall be submitted by August 1, 2025, the second report shall be submitted by November 1, 2025, the third report shall be submitted by February 1, 2026, the fourth report shall be submitted by May 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the fourth report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

DHS Response: We concur.

10. ***Add the following language to the general fund appropriation:***

, provided that $100,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Human Services (DHS) submits a report to the budget committees on implementation of required actions under the Voluntary Settlement Agreement with the U.S. Department of Health and Human Services Office for Civil Rights including the number of notifications required to be sent under the agreement, the number of notifications sent, the timeline for sending the notifications, the number of appeals filed as a result of the notifications and any other provisions of the settlement, the number of appeals that resulted in additional benefits required to be paid by DHS, the dollar value of benefits required due to the appeals, the timeline for benefit issuances due to the appeals, and other status updates related to the implementation of the agreement. The report shall be submitted by October 15, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

DHS Response: We concur with the report request, but we do not concur with the funding restriction. The withholding of the proposed funds would hinder our efforts to improve customer service to our clients.

11. ***Add the following language to the general fund appropriation:***
, provided that these funds are to be used only for the purposes herein appropriated and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

DHS Response: We concur.

12. ***Add the following language:***

$4,700,000 in general funds and $4,700,000 in federal funds is added to the appropriation for N00I00.04 Director's Office within the Family Investment Administration within the Department of Human Services to be used for administrative expenses for the federal SUN Bucks program. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund or be canceled.

DHS Response: We concur.