

Public Health Committee JOINT FAVORABLE REPORT

Bill No: HB-5240 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING THE DEPARTMENT OF DEVELOPMENTAL SERVICES' RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO

Title: DEVELOPMENTAL SERVICES STATUTES.

Vote Date: 3/2/2026

Vote Action: Joint Favorable

PH Date: 2/23/2026

File No.: 40

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SPONSORS OF BILL:

Public Health Committee

REASONS FOR BILL:

Current law provides for rent subsidy payment to patients with intellectual disabilities. This is seen as income and can affect qualifications for benefits, such as Supplemental Nutritional Assistance Program (SNAP). HB 5240 makes a technical change in the language, changing “to” to “for”, allowing rent subsidy payments to be paid directly to the landlord for the patient. There are several other technical changes that benefit patients with intellectual disabilities. HB5240 also revises the definitions that govern the community residential facilities loan program by removing outdated language.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

None submitted.

RESPONSE FROM ADMINISTRATION/AGENCY:

Jordan A. Scheff, Commissioner, Department of Developmental Services (DDS):

Commissioner Scheff explained that current law requires payments to be made directly to the individual. While the intent of the law is to support independent community living, this requirement can have unintended consequences. Payments made to the individual may be counted as income, which in turn can reduce or eliminate eligibility for other important benefits such as SNAP. The statutory adjustment maintains the original legislative intent of supporting individuals with intellectual disability living independently, while modernizing the statute to better meet current needs and ensuring the landlord receives timely payments.

Regarding sections 2-5 of the bill, Commissioner Scheff pointed out that this bill modernizes outdated Community Residential Facility Revolving Loan Fund statutes regarding loan caps, aligning them with current economic conditions, and ensure providers can realistically access this revolving loan program to develop or improve residential options.

NATURE AND SOURCES OF SUPPORT:

None expressed.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Dave Rackliffe

Date: 3/5/2026