

CHAPTER 174**(HB 708)**

AN ACT relating to the public assistance benefits cliff.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. (1) The Cabinet for Health and Family Services shall develop a proposal to make a benefits cliff calculator and online job postings database available to the general public and to all individuals and families, including authorized representatives, applying or reapplying for public assistance benefits administered by the cabinet under KRS Chapters 199 and 205. The proposal shall:

(a) Be submitted to the Legislative Research Commission for distribution to the appropriate interim joint committees and to the task force established in Sections 2 to 6 of this Act no later than September 1, 2022; and

(b) Include but not be limited to information regarding:

1. Estimated costs;
2. A projected timeline for implementation of the proposal;
3. Potential partner organizations or third parties that may assist in the development or implementation of the benefits cliff calculator or the online job postings database;
4. How public assistance beneficiaries or their authorized representatives may use the benefits cliff calculator and job postings database to make informed decisions regarding public assistance benefits, wage increases, and employment opportunities; and
5. Effective methods for how the cabinet will make the benefits cliff calculator and online job postings database available to all individuals and families, including authorized representatives, applying or reapplying for public assistance benefits.

(2) As used in this section, "benefits cliff calculator" means an interactive, digital tool that allows recipients of public assistance benefits administered by the Cabinet for Health and Family Services under KRS Chapters 199 and 205 to assess and understand the potential impacts, including reduction in benefits or loss of eligibility, of changes to income or employment.

➔Section 2. The Legislative Research Commission shall establish the Benefits Cliff Task Force to review the impact of the public assistance benefits cliff on labor force participation, employment, wages, and benefit duration and usage in the Commonwealth and to develop public policy recommendations to support working families in transitioning off of public assistance into gainful employment and self-sufficiency.

➔Section 3. The duties of the Benefits Cliff Task Force shall include but are not limited to:

- (1) Studying how the benefits cliff affects:
 - (a) Financial, employment, and career decisions made by public assistance beneficiaries in the Commonwealth;
 - (b) Labor force participation, employment, wages, education, health, and poverty in the Commonwealth; and
 - (c) The ability of businesses to hire and promote workers;
- (2) Studying the eligibility rules and income thresholds for current public assistance programs administered by the Cabinet for Health and Family Services;
- (3) Studying the fiscal impact of the benefits cliff on state finances and identifying budgetary impacts of addressing the benefits cliff;
- (4) Studying the interconnectedness of the benefits cliff across multiple layers of government and other support networks;
- (5) Studying the awareness of the benefits cliff among public assistance beneficiaries, government agencies and programs, the nonprofit sector, the business community, and the general public;

(6) Evaluating policies and proposals, including the proposal submitted by the Cabinet for Health and Family Services pursuant to Section 1 of this Act, and best practices in other states, academia, and the think tank sector that aim to assist individuals in transitioning off of public assistance into gainful employment and self-sufficiency; and

(7) Making recommendations that seek to eliminate the benefits cliff as a barrier to work, career advancement, and self-sufficiency and to reduce benefit duration and dependency in the Commonwealth.

➔Section 4. The Benefits Cliff Task Force shall be composed of the following members, with final membership of the task force being subject to the consideration and approval of the Legislative Research Commission:

(1) Two members of the House of Representatives appointed by the Speaker of the House of Representatives, one of whom shall be designated by the Speaker of the House of Representatives as a co-chair of the task force;

(2) One member of the House of Representatives appointed by the Minority Floor Leader of the House of Representatives;

(3) Two members of the Senate appointed by the President of the Senate, one of whom shall be designated by the President of the Senate as a co-chair of the task force;

(4) One member of the Senate appointed by the Minority Floor Leader of the Senate;

(5) The secretary of the Cabinet for Health and Family Services or designee;

(6) The secretary of the Education and Workforce Development Cabinet or designee;

(7) The president and chief executive officer of the Kentucky Chamber of Commerce or designee;

(8) The executive director of the Kentucky League of Cities or designee; and

(9) The executive directors, or their designees, of four Kentucky-based nonprofit organizations whose missions are focused on serving low-income persons, with two selected by the President of the Senate and two selected by the Speaker of the House of Representatives.

➔Section 5. The Benefits Cliff Task Force shall meet at least monthly during the 2022 Interim of the General Assembly and shall submit its findings and recommendations to the Legislative Research Commission for referral to the appropriate committee or committees by December 1, 2022.

➔Section 6. The provisions of Sections 2 to 5 of this Act to the contrary notwithstanding, the Legislative Research Commission shall have the authority to alternatively assign the issues identified therein to an interim joint committee or subcommittee thereof, and to designate a study completion date. Sections 2 to 5 of this Act shall have the legal status of a House Concurrent Resolution.

Signed by Governor April 8, 2022.