

205.193 Cabinet to establish and maintain policies and practices -- Restrictions on recipient's use of cash assistance benefits -- Penalties -- Duties of cabinet.

- (1) The cabinet shall establish and maintain policies and practices necessary to ensure compliance with 42 U.S.C. sec. 608(a)(12).
- (2) If a cash recipient of public assistance benefits uses an automated teller machine or any other means or device to withdraw cash using an electronic benefit transfer card issued by the cabinet, that cash may only be used for goods and services necessary for the welfare of the family, including but not limited to food, clothing, housing, utilities, child care, transportation, medicine, and medical supplies.
- (3) If in the normal course of operations, the cabinet finds that an individual has violated subsection (2) of this section, the cabinet:
 - (a) Shall through any means practical and to the extent permitted under state and federal law, including but not limited to garnishment of future cash assistance benefits, seek recoupment from the individual of any funds used in violation of subsection (2) of this section; and
 - (b) May:
 1. Impose a fine on the individual in an amount not to exceed five hundred dollars (\$500);
 2. Upon the first violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than one (1) month;
 3. Upon the second violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than three (3) months; and
 4. Upon the third violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than one (1) year.
- (4) The cabinet shall:
 - (a) Through any means practical, inform all applicants for, and cash recipients of, public assistance benefits of the restrictions and sanctions contained in this section;
 - (b) Investigate cases in which it believes cash benefits may be being used in violation of subsection (2) of this section; and
 - (c) Within ninety (90) days after July 14, 2022, promulgate administrative regulations in accordance with KRS Chapter 13A necessary to administer this section.

Effective: July 14, 2022

History: Created 2022 Ky. Acts ch. 211, sec. 2, effective July 14, 2022.