

KENTUCKY GENERAL ASSEMBLY AMENDMENT FORM  
2017 REGULAR SESSION  
**Unofficial Document**

Amend printed copy of **HB 276/SCS 1**

On page 117, after line 20, by inserting the following new sections and renumbering subsequent sections accordingly:

"➔Section 57. Sections 57 to 67 of this Act may be known and cited as the Citizen and Taxpayer Stewardship Act of 2017.

➔Section 58. The General Assembly directs the Cabinet for Health and Family Services utilize enhanced eligibility verification and periodic continuing monitoring that is, at a minimum, quarterly, to ensure that the following information is verified concerning enrollees and applicants:

- (1) Earned and unearned income;
- (2) Employment status and any changes in employment;
- (3) Immigration status;
- (4) State residency status, including a nationwide best-address source to verify individuals are residents of Kentucky;
- (5) Financial resources;
- (6) Incarceration status;
- (7) Death records;
- (8) Enrollment status in any public assistance programs administered by other states or territories;

Amendment No. SFA 1

Rep. Sen. Julie Raque Adams

Committee Amendment \_\_\_\_\_

Signed: \_\_\_\_\_

Floor Amendment \_\_\_\_\_

LRC Drafter: Wenk, DeeAnn

Adopted: \_\_\_\_\_

Date: \_\_\_\_\_

Rejected: \_\_\_\_\_

Doc. ID: XXXX

**Not for Filing**

# Unofficial Document

(9) Potential identity fraud or identity theft;

(10) Lottery winnings; and

(11) Asset testing, including a nationwide public records data source of physical asset ownership such as real property, automobiles, watercraft, aircraft, and luxury vehicles or other vehicles owned by the applicant or enrollee.

➔Section 59. The Cabinet for Health and Family Services, when it receives information pursuant to Section 58 of this Act that may impact an individual's eligibility for assistance programs, shall take the following steps:

(1) Review the individual's case file to determine the impact the new information has on the individual or household's eligibility;

(2) Provide written notice to the individual throughout the investigation;

(3) Provide opportunity to the individual to explain any discrepancies, including an opportunity for a hearing that complies with KRS Chapter 13B; and

(4) Discontinue assistance if there is a substantial risk of fraud, waste, or abuse occurring in that case.

➔Section 60. When an individual is using food stamps at a grocery store, the General Assembly directs the Cabinet for Health and Family Services to consider using methods to ensure that the benefits from that program go to benefit the household of the cardholder. These methods may include requiring photographic identification be shown by any member of a household using a benefits card.

➔Section 61. The Cabinet for Health and Family Services may explore the following options when updating its eligibility and monitoring infrastructure:

(1) Signing of memoranda of understanding or agreement with any state agency necessary to share or acquire needed information pursuant to Sections 58 or 60 of this Act;

(2) Use of independent vendors to provide the information referenced in Section 58 of

# Unofficial Document

this Act if the agreement with the a vendor includes a requirement of an annualized saving that exceeds the state's total annual cost;

(3) Use of public or private grants to research the abuse of food stamps or other public programs; and

(4) The use of multi-state collaborative agreements such as the National Accuracy Clearinghouse, to share information and pool staff or resources to better combat waste, fraud, and abuse.

➔Section 62. (1) The Cabinet for Health and Family Services shall refer suspected cases of fraud to the Office of the Inspector General for investigation, criminal investigation, recovery of improper payments, and collection of civil penalties.

(2) The cabinet shall refer suspected cases of identity fraud to the appropriate county attorney or Commonwealth's attorney office for prosecution.

(3) If a case of suspected fraud results in a conviction, the cabinet shall review legal options to remove an enrollee from other public assistance programs and garnish wages until an equal amount of the benefits fraudulently received is recovered.

(4) The cabinet shall refer any suspected cases of fraud, misrepresentation, or inadequate documentation discovered pursuant to the appropriate state or local agencies for review of eligibility discrepancies in any other public programs.

➔Section 63. The General Assembly directs that in no case shall the resource limit standards of the food stamp program exceed the standards specified in 7 U.S.C. sec. 2014(g)(1), unless expressly required by federal law. In no case shall categorical eligibility exempting households from these resource limits be granted for any non-cash, in-kind or other benefit, unless expressly required by federal law.

➔Section 64. The General Assembly directs the Cabinet for Health and Family Services to not seek, apply for, accept, or renew any waiver of the requirements established under 7

# Unofficial Document

---

U.S.C. Section 2015(o).

➔Section 65. The General Assembly recommends that the 1996 work requirements established in federal welfare reform be utilized as a resource and policy goal as the benefits updates and technology updates are prepared and that these work requirements be restored or waivers requesting their restoration be prepared by the cabinet.

➔Section 66. The General Assembly directs that progress reports and final presentations about the updates and direction of benefits programs in Kentucky be given to the Interim Joint Committee on Health and Welfare and the Medicaid Oversight and Advisory Committee at the request of the chairs.

➔Section 67. The General Assembly requests that all updates be completed, legislation recommended, and any necessary waivers requested by December 31, 2018."