

1 AN ACT relating to public assistance.

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

3 ➔Section 1. KRS 205.200 is amended to read as follows:

- 4 (1) A needy aged person, a needy blind person, a needy child, a needy permanently and  
5 totally disabled person, or a person with whom a needy child lives shall be eligible  
6 to receive a public assistance grant only if he has made a proper application or an  
7 application has been made on his behalf in the manner and form prescribed by  
8 administrative regulation. No individual shall be eligible to receive public  
9 assistance under more than one (1) category of public assistance for the same period  
10 of time.
- 11 (2) The secretary shall, by administrative regulations, prescribe the conditions of  
12 eligibility for public assistance in conformity with the public assistance titles of the  
13 Social Security Act, its amendments, and other federal acts and regulations. The  
14 secretary shall also promulgate administrative regulations to allow for between a  
15 forty percent (40%) and a forty-five percent (45%) ratable reduction in the method  
16 of calculating eligibility and benefits for public assistance under Title IV-A of the  
17 Federal Social Security Act. In no instance shall grants to families with no income  
18 be less than the appropriate grant maximum used for public assistance under Title  
19 IV-A of the Federal Social Security Act. As used in this section, "ratable reduction"  
20 means the percentage reduction applied to the deficit between the family's countable  
21 income and the standard of need for the appropriate family size.
- 22 (3) The secretary may by administrative regulation prescribe as a condition of eligibility  
23 that a needy child regularly attend school, and may further by administrative  
24 regulation prescribe the degree of relationship of the person or persons in whose  
25 home such needy child must reside.
- 26 (4) The secretary may by administrative regulation prescribe conditions for bringing  
27 paternity proceedings or actions for support in cases of out of wedlock birth or

1 nonsupport by a parent in the public assistance under Title IV-A of the Federal  
2 Social Security Act program.

3 (5) Public assistance shall not be payable to or in behalf of any individual who has  
4 taken any legal action in his own behalf or in the behalf of others with the intent and  
5 purpose of creating eligibility for the assistance.

6 (6) The cabinet shall promptly notify the appropriate law enforcement officials of the  
7 furnishing of public assistance under Title IV-A of the Federal Social Security Act  
8 in respect to a child who has been deserted or abandoned by a parent.

9 (7) No person shall be eligible for public assistance payments if, after having been  
10 determined to be potentially responsible, and afforded notice and opportunity for  
11 hearing, he refuses without good cause:

12 (a) To register for employment with the state employment service,

13 (b) To accept suitable training, or

14 (c) To accept suitable employment.

15 The secretary may prescribe by administrative regulation, subject to the provisions  
16 of KRS Chapter 13A, standards of suitability for training and employment.

17 (8) To the extent permitted by federal law, scholarships, grants, or other types of  
18 financial assistance for education shall not be considered as income for the purpose  
19 of determining eligibility for public assistance.

20 (9) To the extent permitted by federal law, any money received because of a settlement  
21 or judgment in a lawsuit brought against a manufacturer or distributor of "Agent  
22 Orange" for damages resulting from exposure to "Agent Orange" by a member or  
23 veteran of the Armed Forces of the United States or any dependent of such person  
24 who served in Vietnam shall not be considered as income for the purpose of  
25 determining eligibility or continuing eligibility for public assistance and shall not be  
26 subject to a lien or be available for repayment to the Commonwealth for public  
27 assistance received by the recipient.

1 (10) (a) Notwithstanding any other provision of Kentucky law, the following shall be  
2 disregarded for the purposes of determining an individual's eligibility for a  
3 means-tested public assistance program, and the amount of assistance or  
4 benefits the individual is eligible to receive under the program:

- 5 1. Any amount in an ABLE account;
- 6 2. Any contributions to an ABLE account; and
- 7 3. Any distribution from an ABLE account for qualified disability  
8 expenses.

9 (b) For purposes of this subsection:

- 10 1. "ABLE account" means an account established within any state having a  
11 qualified ABLE program as provided in 26 U.S.C. sec. 529A, as  
12 amended;
- 13 2. "Kentucky law" includes:
  - 14 a. All provisions of the Kentucky Revised Statutes;
  - 15 b. Any contract to provide Medicaid managed care established  
16 pursuant to this chapter;
  - 17 c. Any agreement to operate a Medicaid program established  
18 pursuant to this chapter; and
  - 19 d. Any administrative regulation promulgated pursuant to this  
20 chapter; and
- 21 3. "Qualified disability expenses" means expenses described in 26 U.S.C.  
22 sec. 529A of a person who is the beneficiary of an ABLE account.

23 **(11) (a) The cabinet shall design and implement a substance abuse screening**  
24 **program for adult persons receiving or seeking to receive monetary public**  
25 **assistance, food stamps under the federal food stamp program, or assistance**  
26 **under the state medical assistance program, with the screening program**  
27 **including periodic testing of the person's blood or urine for the presence of**

- 1           controlled substances as set out in this section.
- 2           **(b) An adult person shall be ineligible for public assistance if:**
- 3                 **1. The person does not participate in the substance abuse screening**
- 4                 **program established under this section; or**
- 5                 **2. The person tests positive in a substance abuse test administered by the**
- 6                 **program for the presence of:**
- 7                         **a. A Schedule I controlled substance; or**
- 8                         **b. A Schedule II to V controlled substance not prescribed for that**
- 9                                 **person.**
- 10           **(c) The substance abuse testing component of the screening program shall be**
- 11                 **designed so as to require that testing occurs as an initial condition**
- 12                 **precedent prior to the receipt of public assistance and once for each**
- 13                 **subsequent year the adult person receives public assistance, with the person**
- 14                 **being randomly assigned a month within that year to submit to testing upon**
- 15                 **receipt of reasonable notice from the cabinet.**
- 16           **(d) The results of testing conducted under this subsection shall not be**
- 17                 **admissible in any criminal proceeding without the consent of the person**
- 18                 **tested.**
- 19           **(e) The secretary shall by administrative regulation prescribe the design,**
- 20                 **operation, and standards for the implementation of this section.**