

1 A RESOLUTION urging the federal government to provide states with increased
2 flexibility to design and test innovative approaches that reduce barriers to employment
3 and promote economic self-sufficiency among individuals and families receiving public
4 assistance.

5 WHEREAS, the General Assembly recognizes that sustained employment and
6 earned income are central to long-term economic stability for individuals, families, and
7 communities; and

8 WHEREAS, public assistance programs are intended to provide temporary support
9 during periods of economic hardship, while also encouraging participation in the
10 workforce when feasible; and

11 WHEREAS, in certain circumstances, the interaction of income eligibility
12 thresholds across multiple public assistance programs may unintentionally discourage
13 wage advancement or additional work hours due to the abrupt reduction or loss of
14 benefits as earnings increase; and

15 WHEREAS, these interactions may create not only sudden losses of assistance, but
16 also extended periods in which increased earnings do not meaningfully improve a
17 household's overall financial position; and

18 WHEREAS, states are often best positioned to understand the workforce,
19 economic, and demographic conditions affecting their residents and to tailor policy
20 responses accordingly; and

21 WHEREAS, greater flexibility under federal law would allow states to design, test,
22 and evaluate alternative approaches that better align public assistance programs with
23 pathways to employment, wage progression, and self-sufficiency; and

24 WHEREAS, allowing states to pursue time-limited demonstrations, pilots, or
25 waivers may encourage innovation while maintaining accountability for outcomes related
26 to employment, income growth, and program efficiency; and

27 WHEREAS, the Kentucky General Assembly has convened a Benefits Cliff Task

1 Force to study state-level interventions necessary to mitigate the effects of these cliffs,
2 having returned recommendations to the legislature that have subsequently been made
3 into law; and

4 WHEREAS, the ability of the Commonwealth and other states to effectively
5 address the benefits cliff is in some cases hampered by numerous, rigid federal
6 regulations and guidelines governing the various public assistance programs intended to
7 provide short-term assistance to needy individuals; and

8 WHEREAS, failing to mitigate the negative effects of the benefits cliff represents a
9 threat to the Commonwealth's fiscal stability and future economic prosperity;

10 NOW, THEREFORE,

11 *Be it resolved by the House of Representatives of the General Assembly of the*
12 *Commonwealth of Kentucky:*

13 ➔Section 1. The House of Representatives hereby urges the Congress of the
14 United States and the relevant federal agencies to expand opportunities for states to seek
15 flexibility, waivers, or demonstration authority under federal public assistance programs
16 for the purpose of reducing barriers to work and supporting earned income advancement.

17 ➔Section 2. The House of Representatives believes that flexibility should allow
18 states to test approaches that promote gradual transitions from public assistance to self-
19 sufficiency, while preserving program integrity and ensuring responsible stewardship of
20 public funds.

21 ➔Section 3. The House of Representatives believes that the federal government
22 should streamline and consolidate reporting requirements from the states for a wider
23 array of existing social safety net programs.

24 ➔Section 4. The House of Representatives encourages federal policymakers to
25 recognize state-led innovation as a means to strengthen workforce participation, support
26 employers, and improve economic outcomes for families striving to achieve long-term
27 stability.

1 ➔Section 5. The Clerk of the House of Representatives shall transmit a copy of
2 this Resolution to the President of the United States, the Speaker of the United States
3 House of Representatives, the Majority Leader of the United States Senate, and each
4 member of Kentucky's congressional delegation.