STATEMENT OF EMERGENCY

800 KAR 1:010E.

Pursuant to KRS 12.270(2), KRS 13A.190(1), KRS 39A.180, Executive Order 2020-215, and Executive Order 2020-253, this emergency administrative regulation is being promulgated in order to meet an imminent threat to public health, safety, or welfare. On March 6, 2020, Governor Andy Beshear signed Executive Order 2020-215 declaring a State of Emergency regarding COVID-19. On March 23, 2020, Governor Andy Beshear signed Executive Order 2020-253 establishing the "Team Kentucky Fund," to be administered by the Secretary of the Public Protection Cabinet. This emergency regulation is being filed to establish the process for allocation of funds from the Team Kentucky Fund. This emergency regulation will be permitted to expire in accord with KRS 13A.190(3)(a). This will not be replaced by an ordinary regulation as it is being implemented in response to the COVID-19 pandemic, which is necessarily temporary in nature.

KERRY B. HARVEY, Secretary

ANDY BESHEAR, Governor

800 KAR 1:010E. Team Kentucky Fund.

EFFECTIVE: May 12, 2020

RELATES TO: KRS 39A.180, 12.270(2), EO 2020-215, EO 2020-253

STATUTORY AUTHORITY: KRS 39A.180, 12.270(2), EO 2020-253

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: Executive Order 2020-253 ("Order") requires the Public Protection Cabinet to establish the Team Kentucky Fund ("Fund") to be administered by the Secretary of the Public Protection Cabinet ("Secretary"). The Order commands that the Fund, consisting of monies received from public or private sources, shall be used to provide financial assistance to those who are severely financially impacted due to the COVID-19 emergency. The Order further requires the Secretary establish standards, consistent with the public purpose of the Order to provide assistance to Kentuckians whose employment is displaced consequent to the COVID-19 emergency, regarding acceptance and expenditure of funds based on eligibility and qualifications for assistance provided to an applicant. The standards shall include establishing eligibility criteria and a process for receiving, adjudicating, and paying requests for assistance from the Fund. KRS 39A.180(1) allows political subdivisions of the state and other agencies designated or appointed by the Governor to make, amend, and rescind orders and promulgate administrative regulations necessary for disaster and emergency response purposes. KRS 12.270(2) authorizes each cabinet secretary to accept and expend funds from any source, whether public or private, in support of the duties and responsibilities of the related cabinet.

Section 1. Fund Allocations. The Cabinet, in its sole discretion, may allocate funds in any percentage it deems prudent to the distribution method described in Sections 3-9 of this regulation, or to the distribution method described in Sections 10-11 of this regulation.

Section 2. Definitions.

(1) "Financial hardship" means at least a fifty (50) percent reduction in gross earned income or loss of employment.

(2) "Qualified Nonprofit Organization" means an organization, entity, or institution which serves Kentucky residents in the areas of the necessities of life, including providing assistance to Kentuckians experiencing housing insecurity or food insecurity.

Section 3. General Eligibility Requirements.

(1) To be eligible to receive supplemental financial assistance from the Team Kentucky Fund, an applicant shall:

(a) Reside in Kentucky;

(b) Have been employed on a full-time basis March 6, 2020. Full-time basis shall mean employment consisting of an average of at least thirty (30) hours per week;

(c) Have experienced financial hardship as a result of the COVID-19 emergency, during the state of emergency declared by Executive Order 2020-215; and

(d) Have a household income at or below 400 percent of the federal poverty guidelines prior to March 6, 2020.

Section 4. Financial Assistance.

(1) An applicant meeting the requirements of Section 3 of this emergency administrative regulation may receive a financial award of up to $1,000 which may be paid directly or by issuing one or more vouchers, contingent upon monies available in the Team Kentucky Fund and the submission of a complete application. Only one (1) applicant shall be eligible to receive an award per household.

(2) All applications are subject to the availability of funds.

(3) Vouchers may be in any amount not exceeding $1,000, and the anticipated availability of funds and volume of applications may, but are not required to be considered in establishing the award amounts.

(4) No household shall receive a total financial award of more than one-thousand dollars ($1,000) from the Fund.

(5) Vouchers may be issued to an Applicant for payment of certain expenses enumerated below incurred by the applicant for one (1) calendar month, with the total amount not to exceed $1,000:

(a) Rent assistance: a voucher may be issued for the payment of rent. The voucher will be made directly payable to the applicant's landlord.

(b) Mortgage assistance: a voucher may be issued for payment of a mortgage. The voucher will be made directly payable to the mortgage holder, including, if applicable, any escrowed tax or insurance obligations pursuant to the terms of the applicant's note and mortgage.

(c) Food/Grocery assistance: a voucher may be issued for groceries to be purchased. The voucher will be made directly payable to a grocer.

(d) Utility assistance: a voucher may be issued for the payment of utilities, including electricity, water, gas sewage, bottled gas used for home heating, and waste/trash.

Section 5. Incomplete Applications. An incomplete application shall be denied. However, an applicant is not prohibited from resubmitting an updated application provided that a prior application was denied solely on the basis of being incomplete.

Section 6. Administrative Review of Application Denial. (1) Within thirty (30) days of receipt of notice of denial, an applicant whose application was denied in whole or part for failure to meet the requirements of Section 3 or Section 4 of this administrative regulation may request a review of the denial by the Secretary of the Pubic Protection Cabinet. If the Secretary determines that the application should have been granted, a voucher in the amount so determined shall be awarded, subject to the availability of funds. There shall be no review if a request is not funded because funds are unavailable. If the Secretary determines that the application was appropriately denied, the applicant may appeal to the Franklin District Court.

Section 7. Use of Contractor to Evaluate Claims and Distribute Monies.

(1) In order to fulfill the obligations imposed on the Cabinet by the Order, the Cabinet may enter into a Memorandum of Agreement with a contractor to assist in evaluating claims and distributing monies.

(2) The Memorandum of Agreement may establish terms, standards, and procedures governing the Fund consistent with the public purpose of the Order and with the terms of this emergency administrative regulation.

(3) The Memorandum of Agreement may establish terms, standards, and procedures applicable to all monies received by the Fund or a portion thereof.

(4) The contractor shall be subject to audit by the Commonwealth and any of its agencies or sub-agencies, and shall promptly and completely comply with any request for information regarding the Fund.

Section 8. Administrative fees. No administrative fees shall be paid from the Fund to any agency of the Commonwealth of Kentucky or any Contractor engaged to assist with the operation of the Fund.

Section 9. Applicability of Open Records and Document Retention. With the exception of information otherwise exempt from disclosure pursuant to the Kentucky Open Records Act, KRS 61.870, et seq. all documents and materials submitted to either the Commonwealth, the Cabinet, or any contractor shall be considered a public record subject to the Kentucky Open Records Act. Accordingly, the Commonwealth, the Cabinet, and any contractor shall retain all documents so described for a period of no less than two (2) years from the expiration or rescindment of Executive Order 2020-215 or the last distribution from the Fund, whichever occurs last.

Section 10. Other Acceptable Uses of Fund Monies. The Cabinet, in its sole discretion, may elect to allocate funds to qualified nonprofit organizations. A qualified nonprofit organization shall be permitted to receive funds if and only if:

(1) The qualified nonprofit organization has experienced a financial hardship due to the COVID-19 emergency during the state of emergency declared by Executive Order 2020-215; and

(2) The qualified nonprofit organization serves populations which have been severely financially impacted due to the COVID-19 emergency.

Section 11. Award of Funds. The Cabinet may award funds to qualified nonprofit organizations that have met the requirements of Section 10 in any amount it deems prudent. There shall be no right to appeal the award or denial of a financial award, as such awards are purely a matter of grace, by a qualified nonprofit entity.

Section 12. No Intent to Create Individual or Organizational Interests. The establishment of the Team Kentucky Fund is not intended to create and does not create any individual or organizational right, privilege, property interest, or benefit, whether substantive or procedural, enforceable at law or in equity by any party against the Commonwealth of Kentucky, its agents, departments, political divisions, or other entities, or any officers, employees, or agents thereof, or any other persons.

(46 Ky.R. 2872; eff. 5-12-2020)