

1 CABINET FOR HEALTH AND FAMILY SERVICES

2 Department for Community Based Services

3 Division of Family Support

4 (New Administrative Regulation)

5 921 KAR 3:100. Transitional benefit alternative.

6 RELATES TO: 7 C.F.R. 273.26 - 273.32

7 STATUTORY AUTHORITY: KRS 194A.050(1), 205.1783(1)(a), 7 C.F.R. 271.4

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.050(1) requires the  
9 secretary of the Cabinet for Health and Family Services to promulgate administrative  
10 regulations necessary to implement programs mandated by federal law or to qualify for  
11 the receipt of federal funds and necessary to cooperate with other state and federal  
12 agencies for the proper administration of the cabinet and its programs. KRS  
13 205.1783(1)(a) requires the cabinet to establish a transitional benefit alternative as  
14 described in 7 C.F.R. 273.26 to 273.32. 7 C.F.R. 271.4 delegates the administration of  
15 the Supplemental Nutrition Assistance Program (SNAP) to the state agency. This  
16 administrative regulation establishes a SNAP transitional benefit alternative.

17 Section 1. Definitions.

18 (1) "Kentucky Transitional Assistance Program" or "KTAP" means the program  
19 established in 921 KAR 2:006.

20 (2) "Regular SNAP benefits" means SNAP benefits received in accordance with the  
21 procedures established in:

- (a) 921 KAR 3:020, Financial requirements;
- (b) 921 KAR 3:027, Technical requirements;
- (c) 921 KAR 3:030, Application process; and
- (d) 921 KAR 3:035, Certification process.

(3) "Transitional benefit alternative" or "transitional benefits" means a consistent SNAP benefit amount received for a period of up to five (5) months during which a household transitions out of KTAP.

#### Section 2. Transitional Benefit Alternative Program Procedures.

Unless a different procedure or process for a SNAP requirement is specified in this administrative regulation, all SNAP requirements specified in 921 KAR Chapter 3 shall apply to transitional benefits, including the process for:

- (1) A fair hearing;
- (2) An administrative disqualification hearing;
- (3) An appeal;
- (4) A disqualification;
- (5) A claim and collection of a claim; and
- (6) EBT issuance.

#### Section 3. Eligibility for a Transitional Benefit Alternative.

(1) An individual shall qualify for transitional benefits if the individual:

- (a) Resides in a household where all members were receiving KTAP; and
- (b) KTAP eligibility ends due to the addition of earned income.

(2) An individual may apply for regular SNAP benefits at any time in accordance with 921 KAR 3:030.

(3) The cabinet shall not provide transitional benefits to an individual who is no longer eligible for KTAP because:

(a) Of a full-family TANF sanction; or

(b) All household members are ineligible to receive SNAP benefits because they are:

1. Disqualified for an intentional program violation;

2. Ineligible for failure to comply with a work requirement;

3. Ineligible students;

4. Ineligible immigrants;

5. Disqualified for failing to provide information necessary for making a determination of eligibility or for completing any subsequent review of eligibility;

6. Disqualified for knowingly transferring resources for the purpose of qualifying or attempting to qualify for the program;

7. Disqualified for receipt of multiple SNAP benefits;

8. Disqualified for being a fleeing felon; or

9. An able-bodied adult without dependents who failed to comply with work reporting requirements.

(4) An individual shall not receive transitional benefits and regular SNAP benefits at the same time.

#### Section 4. Transitional Benefit Alternative Recertification Process.

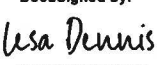
(1) The individual shall be required to recertify for regular SNAP benefits in the fifth (5<sup>th</sup>) month of receiving transitional benefits.

(2) A SNAP certification period may be extended in order to provide up to five (5) months of transitional benefits.

- 1 (3) If an individual receiving transitional benefits becomes eligible to receive KTAP
- 2 during the transitional period, the cabinet shall use the information from a KTAP
- 3 application to redetermine continued SNAP eligibility and benefits while the KTAP
- 4 application is being processed.

921 KAR 3:100

REVIEWED:

DocuSigned by:  <small>2587000024204CA</small>	9/21/2023
Lesla Dennis, Commissioner Department for Community Based Services	Date

APPROVED:

DocuSigned by:  <small>0AFA1D6C15D6431</small>	9/22/2023
Eric C. Friedlander, Secretary Cabinet for Health and Family Services	Date

#### **PUBLIC HEARING AND PUBLIC COMMENT PERIOD:**

A public hearing on this administrative regulation shall, if requested, be held on December 27, 2023, at 9:00 a.m. using the CHFS Office of Legislative and Regulatory Affairs Zoom meeting room. The Zoom invitation will be emailed to each requestor the week prior to the scheduled hearing. Individuals interested in attending this virtual hearing shall notify this agency in writing by December 18, 2023, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who attends virtually will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed administrative regulation until December 31, 2023. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person. Pursuant to KRS 13A.280(8), copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available upon request.

**CONTACT PERSON:** Krista Quarles, Policy Analyst, Office of Legislative and Regulatory Affairs, 275 East Main Street 5 W-A, Frankfort, KY 40621; Phone: 502-564-6746; Fax: 502-564-7091; CHFSregs@ky.gov.

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 921 KAR 3:100

Agency Contact: Laura Begin

Phone Number: (502) 564-3703

Email: Laura.Begin@ky.gov

Contact Person: Krista Quarles

Phone Number: (502) 564-6746

Email: CHFSregs@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes a SNAP transitional benefit period for households who lose KTAP assistance due to being ineligible as a result of increased earnings. This transition will help households and individuals overcome a benefits cliff as they increase or obtain earned income.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to conform to KRS 205.1783(1)(a), originally passed as House Bill 7 in the 2022 Regular Session.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of the authorizing statutes by implementing programs necessary for the proper administration of the cabinet and its programs. KRS 205.1783(1)(a) requires the cabinet to establish a transitional benefit alternative, established in this administrative regulation.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills a statutory requirement and ensures compliance with state law.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is a new administrative regulation.

(b) The necessity of the amendment to this administrative regulation: This is a new administrative regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This is a new administrative regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new administrative regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: All KTAP participants who become financially ineligible to continue in the program due to the addition of earnings will be able to participate in this transitional program if requirements are met. In June 2023, there were 3,083 households that could potentially be affected by this administrative regulation.



(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: No action is required of affected individuals and households, the cabinet will identify eligibility for the program through automated systems.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There is no cost to identified individuals and households.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Affected individuals and households may continue to receive a set SNAP benefit amount for up to five (5) months after becoming ineligible for the KTAP program due to increased earned income. This transition will help households and individuals overcome a benefits cliff as they increase or obtain earned income.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: \$100,000 or less for system design and staff training.

(b) On a continuing basis: There is no ongoing costs for implementation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: SNAP benefits are 100% federally funded by the U.S. Department of Agriculture. Program administrative costs are funded 50% federal and 50% state and have been appropriated in the enacted budget.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There are no increases in fees or funding required with this amendment.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This amendment does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied as this administrative regulation will be applied in a like manner on a statewide basis.



## FEDERAL MANDATE ANALYSIS COMPARISON

Administrative Regulation: 921 KAR 3:100

Agency Contact: Laura Begin

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Contact Person: Krista Quarles

Phone Number: (502) 564-6746

Email: CHFSregs@ky.gov

(1) Federal statute or regulation constituting the federal mandate.  
7 C.F.R. 271.4

(2) State compliance standards.  
KRS 194A.050(1), 205.1783(1)(a)

(3) Minimum or uniform standards contained in the federal mandate.  
7 C.F.R. 271.4

(4) Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate? This administrative regulation will not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate. This program is a federal option.

(5) Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation will not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate.

## FISCAL NOTE

Administrative Regulation: 921 KAR 3:100

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(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department for Community Based Services will be impacted by the administrative regulation as the administrator of SNAP and KTAP.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 194A.050(1), 205.1783(1)(a), 7 C.F.R. 271.4.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The amendment to the administrative regulation will not generate revenue.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue in future years.

(c) How much will it cost to administer this program for the first year? There will be a one-time agency cost for design changes to the web-based eligibility system used for SNAP. This is estimated to be less than \$100,000.

(d) How much will it cost to administer this program for subsequent years?  
This administrative regulation does not have an on-going cost.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation:

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? No savings will be generated by this amendment.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? No savings are anticipated from this amendment.

(c) How much will it cost the regulated entities for the first year? There is no cost to affected entities in the first year.

(d) How much will it cost the regulated entities for subsequent years? There are no ongoing costs to affected entities.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-):

Expenditures (+/-):

Other Explanation:

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)].* No major economic impact is anticipated.

