

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 979

BY: LEFTWICH

AS INTRODUCED

AN ACT RELATING TO ASSISTANCE; AMENDING 56 O.S. 1991,
SECTION 165, WHICH RELATES TO AMOUNT OF ASSISTANCE;
CLARIFYING STATUTORY REFERENCE; AND PROVIDING AN
EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 56 O.S. 1991, Section 165, is amended to read as follows:

Section 165. A. The amount of assistance which any person shall receive under the provisions of this act shall be determined with due regard to the resources, to income and need of the individual and other conditions existing in each case and in accordance with funds available and rules and regulations of the Commission, but in no case shall it be an amount which, when added to the income of the applicant from all other sources, is more than necessary to provide such person with reasonable subsistence compatible with decency and health. The cash or loan value of all life insurance policies, and all revocable and irrevocable contracts for prepaid funeral benefits, as defined by Sections 6121 through

6136 of Title 36 of the Oklahoma Statutes, and all monies set aside in a separate account and specifically designated for funeral expenses of an applicant for and recipient of public assistance shall be considered as a resource available to meet the needs of the applicant. However, the following accruals by the applicant for and recipient of public assistance shall not be considered:

1. One Thousand Five Hundred Dollars (\$1,500.00) cash value of the policies or revocable contracts or designated accounts or any combination thereof provided the cash value does not exceed One Thousand Five Hundred Dollars (\$1,500.00); or

2. Six Thousand Dollars (\$6,000.00) plus accrued interest in an irrevocable contract or Six Thousand Dollars (\$6,000.00) plus accrued interest in any combination of irrevocable account, designated account, or cash value in policies provided the cash value in policies and designated accounts does not exceed One Thousand Five Hundred Dollars (\$1,500.00).

If the recipient receives any money from the policies or revocable contracts or designated accounts before his death, the amount received shall be considered as a resource available to meet the recipient's needs, except that not to exceed One Thousand Five Hundred Dollars (\$1,500.00) from all policies may be used for prepaid burial expenses of the recipient.

It shall be the duty of the Commission for Human Services in conformity with the Federal Social Security Laws, 42 U.S.C., Section 301 et seq., and in regard to funds available to revise and liberalize the budget as now used in ascertaining the need of any person eligible to receive assistance, and in so doing the increased cost of living and condition of health shall be given due consideration.

B. Except as otherwise provided in this subsection, the limitations specified pursuant to subsection A of this section shall apply to the cash or loan value of all life insurance policies and

all revocable and irrevocable contracts for prepaid funeral benefits and all monies set aside in a separate account and specifically designated for funeral expenses of an applicant for or recipient of public assistance which were entered into or created prior to July 1, 1986, and on and after July 1, 1985. Any person who entered into an irrevocable life insurance policy or irrevocable contract for prepaid funeral expenses prior to July 1, 1986, which exceeds the maximum limitation specified by subsection A of this section and who is receiving assistance on July 1, 1986, is eligible to continue to receive such assistance provided such recipient does not add to or otherwise increase such irrevocable policy or contract.

SECTION 2. This act shall become effective September 1, 1992.

43-2-1861

CJ