

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

COMMITTEE SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2359

By: Weaver

COMMITTEE SUBSTITUTE

An Act relating to poor persons; amending 56 O.S.

1991, Section 165, which relates to the amount of public assistance a person shall receive; increasing certain limitations related to certain irrevocable contracts, irrevocable accounts, designated accounts or cash value for funeral benefits or funeral expenses; and declaring an emergency.

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 public 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 for Human Services, but in no case shall it be an amount which, when added to the income of the applicant or recipient from all other sources, is more than necessary to provide such person

with a reasonable level of subsistence which is compatible with decency and health.

B. 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~~ or a recipient of public assistance shall be considered as a resource available to meet the needs of the applicant. ~~However~~ or recipient; provided, however, the following accruals by the applicant for ~~and~~ or recipient of public assistance shall not be considered:

1. One Thousand Five Hundred Dollars (\$1,500.00) cash or loan 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)~~ Seven Thousand Dollars (\$7,000.00) plus accrued interest in an irrevocable contract or ~~Six Thousand Dollars (\$6,000.00)~~ Seven Thousand Dollars (\$7,000.00) plus accrued interest in any combination of irrevocable account, designated account, or cash value in policies, provided the cash value in such policies and designated accounts does not exceed One Thousand Five Hundred Dollars (\$1,500.00).

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

D. It shall be the duty of the Commission for Human Services, in conformity with the Federal Social Security Laws and in regard to

funds available, to revise and liberalize the ~~budget as new~~ formula presently used in ascertaining the need of any person eligible to determine eligibility to receive assistance, and in so doing ~~the increased~~ give due consideration to any increase in the cost of living and the health condition of ~~health shall be given due consideration~~ the applicant or recipient.

~~B.~~ E. 1. 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.

2. 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~~ in subsection A of this section, and who is receiving assistance on July 1, 1986, ~~is~~ shall be eligible to continue to receive such assistance provided such recipient does not add to or otherwise increase such irrevocable policy or contract.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.