

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 987

By: Crutchfield

4
5
6 AS INTRODUCED

7 An Act relating to poor persons; amending 56 O.S.
8 2001, Section 165, which relates to assistance of
9 aged persons; increasing amount of exclusion of
certain policies when determining assistance; and
providing for an effective date.

10
11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 56 O.S. 2001, Section 165, is
14 amended to read as follows:

15 Section 165. A. 1. The amount of assistance which any person
16 shall receive under the provisions of this act shall be determined
17 with due regard to the resources, to income and need of the
18 individual and other conditions existing in each case and in
19 accordance with funds available and rules of the Commission for
20 Human Services, but in no case shall it be an amount which, when
21 added to the income of the applicant from all other sources, is more
22 than necessary to provide such person with reasonable subsistence
23 compatible with decency and health.

1 2. The cash or loan value of all life insurance policies, and
2 all revocable and irrevocable contracts for prepaid funeral
3 benefits, as defined by Sections 6121 through 6135 of Title 36 of
4 the Oklahoma Statutes, and all monies set aside in a separate
5 account and specifically designated for funeral expenses of an
6 applicant for and recipient of public assistance shall be considered
7 as a resource available to meet the needs of the applicant.

8 However, the following accruals by the applicant for and recipient
9 of public assistance shall not be considered:

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

15 b. ~~Seven Thousand Five Hundred Dollars (\$7,500.00)~~ Ten
16 Thousand Dollars (\$10,000.00) plus accrued interest in
17 an irrevocable contract, designated account or cash
18 value in insurance policies, or ~~Seven Thousand Five~~
19 ~~Hundred Dollars (\$7,500.00)~~ Ten Thousand Dollars
20 (\$10,000.00) plus accrued interest in any combination
21 of irrevocable account, designated account, or cash
22 value in insurance policies.

23 3. If the recipient receives any money from the policies or
24 revocable contracts or designated accounts before the recipient's

1 death, the amount received shall be considered as a resource
2 available to meet the recipient's needs, provided, that an amount
3 not to exceed One Thousand Five Hundred Dollars (\$1,500.00) from all
4 policies may be used for prepaid burial expenses of the recipient.

5 B. It shall be the duty of the Commission for Human Services,
6 in conformity with the Federal Social Security Laws and in regard to
7 funds available, to revise and liberalize the budget as now used in
8 ascertaining the need of any person eligible to receive assistance,
9 and, in so doing, the increased cost of living and condition of
10 health of such person shall be given due consideration.

11 C. 1. Except as otherwise provided in this subsection, the
12 limitations specified pursuant to paragraph 2 of subsection A of
13 this section shall apply to the cash or loan value of all life
14 insurance policies and all revocable and irrevocable contracts for
15 prepaid funeral benefits and all monies set aside in a separate
16 account and specifically designated for funeral expenses of an
17 applicant for or recipient of public assistance which were entered
18 into or created prior to July 1, 1986, and on and after July 1,
19 1985.

20 2. Any person who entered into an irrevocable life insurance
21 policy or irrevocable contract for prepaid funeral expenses prior to
22 July 1, 1986, which exceeds the maximum limitation specified by
23 paragraph 2 of subsection A of this section, and who is receiving
24 assistance on July 1, 1986, is eligible to continue to receive such

1 assistance provided such recipient does not add to or otherwise
2 increase such irrevocable policy or contract.

3 SECTION 2. This act shall become effective November 1, 2009.

4
5 52-1-1437 ARE 3/6/2009 8:03:29 AM

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24