Session of 2022

## HOUSE BILL No. 2525

By Committee on Children and Seniors

1-20

 AN ACT concerning public assistance; relating to food and child care assistance; removing non-cooperation with child support from requirements for food and child care assistance eligibility; exempting qualifying adults enrolled in school from the 20-hour-per-week work requirement for child care assistance eligibility for a limited time; amending K.S.A. 39-709 and repealing the existing section.

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## Be it enacted by the Legislature of the State of Kansas:

9 Section 1. K.S.A. 39-709 is hereby amended to read as follows: 39-10 709. (a) *General eligibility requirements for assistance for which federal* 11 *moneys are expended*. Subject to the additional requirements below, 12 assistance in accordance with plans under which federal moneys are 13 expended may be granted to any needy person who:

14 (1) Has insufficient income or resources to provide a reasonable 15 subsistence compatible with decency and health. Where a husband and wife or cohabiting partners are living together, the combined income or 16 resources of both shall be considered in determining the eligibility of 17 18 either or both for such assistance unless otherwise prohibited by law. The 19 secretary, in determining need of any applicant for or recipient of 20 assistance shall not take into account the financial responsibility of any 21 individual for any applicant or recipient of assistance unless such applicant 22 or recipient is such individual's spouse, cohabiting partner or such 23 individual's minor child or minor stepchild if the stepchild is living with 24 such individual. The secretary in determining need of an individual may 25 provide such income and resource exemptions as may be permitted by 26 federal law. For purposes of eligibility for temporary assistance for needy 27 families, for food assistance and for any other assistance provided through 28 the Kansas department for children and families under which federal 29 moneys are expended, the secretary for children and families shall 30 consider one motor vehicle owned by the applicant for assistance, 31 regardless of the value of such vehicle, as exempt personal property and 32 shall consider any equity in any boat, personal water craft, recreational 33 vehicle, recreational off-highway vehicle or all-terrain vehicle, as defined 34 by K.S.A. 8-126, and amendments thereto, or any additional motor vehicle 35 owned by the applicant for assistance to be a nonexempt resource of the 36 applicant for assistance except that any additional motor vehicle used by the applicant, the applicant's spouse or the applicant's cohabiting partner
 for the primary purpose of earning income may be considered as exempt
 personal property in the secretary's discretion.

4 (2) Is a citizen of the United States or is an alien lawfully admitted to 5 the United States and who is residing in the state of Kansas.

6 (b) Temporary assistance for needy families. Assistance may be 7 granted under this act to any dependent child, or relative, subject to the 8 general eligibility requirements as set out in subsection (a), who resides in the state of Kansas or whose parent or other relative with whom the child 9 10 is living resides in the state of Kansas. Such assistance shall be known as temporary assistance for needy families. Where the husband and wife or 11 12 cohabiting partners are living together, both shall register for work under the program requirements for temporary assistance for needy families in 13 14 accordance with criteria and guidelines prescribed by rules and regulations 15 of the secretary.

16 (1) As used in this subsection, "family group" or "household" means the applicant or recipient for TANF, child care subsidy or employment 17 18 services and all individuals living together in which there is a relationship 19 of legal responsibility or a qualifying caretaker relationship. This will include a cohabiting boyfriend or girlfriend living with the person legally 20 21 responsible for the child. The family group shall not be eligible for TANF 22 if the family group contains at least one adult member who has received 23 TANF, including the federal TANF assistance received in any other state, 24 for 24 calendar months beginning on and after October 1, 1996, unless the 25 secretary determines a hardship exists and grants an extension allowing 26 receipt of TANF until the 36-month limit is reached. No extension beyond 27 36 months shall be granted. Hardship provisions for a recipient include:

(A) Is a caretaker of a disabled family member living in thehousehold;

(B) has a disability which that precludes employment on a long-term
basis or requires substantial rehabilitation;

32 (C) needs a time limit extension to overcome the effects of domestic
 33 violence/sexual assault;

34 (D) is involved with prevention and protection services (PPS) and has 35 an open social service plan; or

(E) is determined by the 24<sup>th</sup> month to have an extreme hardship other
than what is designated in criteria listed in subparagraphs (A) through (D).
This determination will be made by the executive review team.

(2) All adults applying for TANF shall be required to complete a
work program assessment as specified by the Kansas department for
children and families, including those who have been disqualified for or
denied TANF due to non-cooperation, drug testing requirements or fraud.
Adults who are not otherwise eligible for TANF, such as ineligible aliens,

relative/non-relative caretakers and adults receiving supplemental security
 income are not required to complete the assessment process. During the
 application processing period, applicants must complete at least one
 module or its equivalent of the work program assessment to be considered
 eligible for TANF benefits, unless good cause is found to be exempt from
 the requirements. Good cause exemptions shall only include *that the applicant*:

8 (A) The applicant Can document an existing certification verifying 9 completion of the work program assessment;

10 (B) the applicant has a valid offer of employment or is employed a 11 minimum of 20 hours a week;

12 (C) the applicant is a parenting teen without a GED or high school 13 diploma;

14 15 (D) the applicant is enrolled in job corps;

(E) the applicant is working with a refugee social services agency; or

16 (F) the applicant-has completed the work program assessment within 17 the last 12 months.

(3) The *Kansas* department for children and families shall maintain a
 sufficient level of dedicated work program staff to enable the agency to
 conduct work program case management services to TANF recipients in a
 timely manner and in full accordance with state law and agency policy.

(4) (A) TANF mandatory work program applicants and recipients
 shall participate in work components that lead to competitive, integrated
 employment. Components are defined by the federal government as being
 either primary or secondary.

(B) In order to meet federal work participation requirements, 26 households need to meet at least 30 hours of participation per week, at 27 28 least 20 hours of which need to be primary and at least 10 hours may be 29 secondary components in one parent households where the youngest child is six years of age or older. Participation hours shall be 55 hours in two 30 31 parent households-(, 35 hours per week if child care is not used). The 32 maximum assignment is 40 hours per week per individual. For two parent families to meet the federal work participation rate both parents must 33 34 participate in a combined total of 55 hours per week, 50 hours of which must be in primary components, or one or both parents could be assigned a 35 combined total of 35 hours per week-(, 30 hours of which must be primary 36 37 components), if the Kansas department for children and families paid child 38 care is not received by the family. Single parent families with a child under 39 age six meet the federal participation requirement if the parent is engaged in work or work activities for at least 20 hours per week in a primary work 40 41 component.

42 *(C)* The following components meet federal definitions of primary 43 hours of participation: Full or part-time employment, apprenticeship, work study, self-employment, job corps, subsidized employment, work
 experience sites, on-the-job training, supervised community service,
 vocational education, job search and job readiness. Secondary components
 include: Job skills training, education directly related to employment such
 as adult basic education and English as a second language, and completion
 of a high school diploma or GED.

7 (5) A parent or other adult caretaker personally providing care for a 8 child under the age of three months in their TANF household is exempt 9 from work participation activities until the month the child turns three 10 months of age. Such three-month limitation shall not apply to a parent or other adult caretaker who is personally providing care for a child born 11 significantly premature, with serious medical conditions or with a 12 disability as defined by the secretary, in consultation with the secretary of 13 health and environment, and adopted in the rules and regulations. The 14 15 three-month period is defined as two consecutive months starting with the month after childbirth. The exemption for caring for a child under three 16 17 months cannot be claimed by:

(A) By-Either parent when two parents are in the home and the
 household meets the two-parent definition for federal reporting purposes;

20 (B) by one parent or caretaker when the other parent or caretaker is in 21 the home, and available, capable and suitable to provide care and the 22 household does not meet the two-parent definition for federal reporting 23 purposes;

(C) by a person age 19 or younger when such person is pregnant or a
parent of a child in the home and the person does not possess a high school
diploma or its equivalent. Such person shall become exempt the month
such person turns age 20; or

28 (D) <del>by</del>-any person assigned to a work participation activity for 29 substance use disorders.

(6) TANF work experience placements shall be reviewed after 90
days and are limited to six months per 24-month lifetime limit. A client's
progress shall be reviewed prior to each new placement regardless of the
length of time they are at the work experience site.

34 (7) TANF participants with disabilities shall engage in required 35 employment activities to the maximum extent consistent with their 36 abilities. TANF participants shall provide current documentation by a 37 qualified medical practitioner that details the abilities to engage in 38 employment and any limitations in work activities along with the expected 39 duration of such limitations. Disability is defined as a physical or mental 40 impairment constituting or resulting in a substantial impediment to 41 employment for such individual.

42 (8) Non-cooperation is the failure of the applicant or recipient to-43 comply with all requirements provided in state and federal law, federal and state rules and regulations and agency policy. The period of ineligibility
 for TANF benefits based on non-cooperation, *as defined in K.S.A. 39-702*,
 *and amendments thereto*, with work programs shall be as follows, *for a*:

4 (A) For a First penalty, three months and full cooperation with work 5 program activities;

6 (B) for a second penalty, six months and full cooperation with work 7 program activities;

8 (C) for a third penalty, one year and full cooperation with work 9 program activities; and

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(D) for a fourth or subsequent penalty, 10 years.

11 (9) Individuals that have not cooperated with TANF work programs 12 shall be ineligible to participate in the food assistance program. The 13 comparable penalty shall be applied to only the individual in the food 14 assistance program who failed to comply with the TANF work 15 requirement. The agency shall impose the same penalty to the member of 16 the household who failed to comply with TANF requirements. The penalty 17 periods are three months, six months, one year, or 10 years.

18 (10) Non-cooperation is the failure of the applicant or recipient to 19 comply with all requirements provided in state and federal law, federal and 20 state rules and regulations and agency policy. The period of ineligibility 21 for child care subsidy or TANF benefits based on parents' non-22 cooperation, *as defined in K.S.A. 39-702, and amendments thereto*, with 23 child support services shall be as follows, *for a*:

(A) For the First penalty, three months and cooperation with child
 support services prior to regaining eligibility;

(B) for a second penalty, six months and cooperation with child
 support services prior to regaining eligibility;

(C) for a third penalty, one year and cooperation with child support
 services prior to regaining eligibility; and

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(D) for a fourth penalty, 10 years.

(11) Individuals that have not cooperated without good cause with
 child support services shall be ineligible to participate in the food assistance program. The period of disqualification ends once it has been
 determined that such individual is cooperating with child support services.

35 (12) (A) Any individual who is found to have committed fraud or is 36 found guilty of the crime of theft pursuant to K.S.A. 39-720, and 37 amendments thereto, and K.S.A. 2021 Supp. 21-5801, and amendments 38 thereto, in either the TANF or child care program shall render all adults in 39 the family unit ineligible for TANF assistance. Adults in the household 40 who were determined to have committed fraud or were convicted of the crime of theft pursuant to K.S.A. 39-720, and amendments thereto, and 41 K.S.A. 2021 Supp. 21-5801, and amendments thereto, shall render 42 43 themselves and all adult household members ineligible for their lifetime

1 for TANF, even if fraud was committed in only one program. Households 2 who have been determined to have committed fraud or were convicted of 3 the crime of theft pursuant to K.S.A. 39-720, and amendments thereto, and 4 K.S.A. 2021 Supp. 21-5801, and amendments thereto, shall be required to 5 name a protective payee as approved by the secretary or the secretary's 6 designee to administer TANF benefits or food assistance on behalf of the 7 children. No adult in a household may have access to the TANF cash 8 assistance benefit

9 (B) Any individual that has failed to cooperate with a fraud 10 investigation shall be ineligible to participate in the TANF cash assistance program and the child care subsidy program until the Kansas department 11 12 for children and families determines that such individual is cooperating with the fraud investigation. The Kansas department for children and 13 families shall maintain a sufficient level of fraud investigative staff to 14 15 enable the department to conduct fraud investigations in a timely manner 16 and in full accordance with state law and department rules and regulations 17 or policies.

18 (13)(12) (A) Food assistance shall not be provided to any person 19 convicted of a felony offense occurring on or after July 1, 2015, which 20 includes as an element of such offense the manufacture, cultivation, 21 distribution, possession or use of a controlled substance or controlled 22 substance analog. For food assistance, the individual shall be permanently 23 disqualified if they have been convicted of a state or federal felony offense 24 occurring on or after July 1, 2015, involving possession or use of a 25 controlled substance or controlled substance analog.

(B) (*i*) Notwithstanding the provisions of subparagraph (A), an
individual shall be eligible for food assistance if the individual enrolls in
and participates in a drug treatment program approved by the secretary,
submits to and passes a drug test and agrees to submit to drug testing if
requested by the department pursuant to a drug testing plan.

(*ii*) An individual's failure to submit to testing or failure to successfully pass a drug test shall result in ineligibility for food assistance until a drug test is successfully passed. Failure to successfully complete a drug treatment program shall result in ineligibility for food assistance until a drug treatment plan approved by the secretary is successfully completed, the individual passes a drug test and agrees to submit to drug testing if requested by the department pursuant to a drug testing plan.

(C) The provisions of subparagraph (B) shall not apply to any
individual who has been convicted for a second or subsequent felony
offense as provided in subparagraph (A).

 $\begin{array}{ll} 41 & (14)(13) & \text{No TANF cash assistance shall be used to purchase alcohol,} \\ 42 & \text{cigarettes, tobacco products, lottery tickets, concert tickets, professional or} \\ 43 & \text{collegiate sporting event tickets or tickets for other entertainment events} \end{array}$ 

1 intended for the general public or sexually oriented adult materials. No 2 TANF cash assistance shall be used in any retail liquor store, casino, 3 gaming establishment, jewelry store, tattoo parlor, massage parlor, body 4 piercing parlor, spa, nail salon, lingerie shop, tobacco paraphernalia store, 5 vapor cigarette store, psychic or fortune telling business, bail bond 6 company, video arcade, movie theater, swimming pool, cruise ship, theme 7 park, dog or horse racing facility, parimutuel facility, or sexually oriented 8 business or any retail establishment-which that provides adult-oriented 9 entertainment in which performers disrobe or perform in an unclothed 10 state for entertainment, or in any business or retail establishment where minors under age 18 are not permitted. No TANF cash assistance shall be 11 12 used for purchases at points of sale outside the state of Kansas.

13 (15)(14) (A) The secretary for children and families shall place a photograph of the recipient, if agreed to by such recipient of public 14 assistance, on any Kansas benefits card issued by the Kansas department 15 16 for children and families that the recipient uses in obtaining food, cash or 17 any other services. When a recipient of public assistance is a minor or 18 otherwise incapacitated individual, a parent or legal guardian of such 19 recipient may have a photograph of such parent or legal guardian placed 20 on the card.

(B) Any Kansas benefits card with a photograph of a recipient shall
be valid for voting purposes as a public assistance identification card in
accordance with the provisions of K.S.A. 25-2908, and amendments
thereto.

(C) As used in this paragraph and its subparagraphs, "Kansas benefits
 card" means any card issued to provide food assistance, cash assistance or
 child care assistance, including, but not limited to, the vision card, EBT
 card and Kansas benefits card.

(D) The Kansas department for children and families shall monitor all recipient requests for a Kansas benefits card replacement and, upon the fourth such request in a 12-month period, send a notice alerting the recipient that the recipient's account is being monitored for potential suspicious activity. If a recipient makes an additional request for replacement subsequent to such notice, the department shall refer the investigation to the department's fraud investigation unit.

 $\frac{(16)}{(15)}$  The secretary for children and families shall adopt rules and regulations *for*:

(A) In-Determining eligibility for the child care subsidy program,
 including an income of a cohabiting partner in a child care household; and

40 (B) in-determining and maintaining eligibility for non-TANF child
41 care, requiring that all included adults shall be employed a minimum of 20
42 hours per week or more as defined by the secretary or meet the following
43 specific qualifying exemptions:

1 (i) Adults who are not capable of meeting the requirement due to a 2 documented physical or mental condition;

3 (ii) adults who are former TANF recipients who need child care for 4 employment after their TANF case has closed and earned income is a 5 factor in the closure in the two months immediately following TANF 6 closure;

(iii) adult parents included in a case in which the only child receiving
benefits is the child of a minor parent who is working on completion of
high school or obtaining a GED;

10 (iv) adults who are participants in a food assistance employment and 11 training program;

(v) adults who are participants in an early head start child care
 partnership program and are working or in school or training; or

(vi) adults who are caretakers of a child in custody of the secretary in
 out-of-home placement needing child care;

(vii) adults enrolled in a public or nonpublic elementary or
 secondary school making progress toward graduation for up to 48 months;
 or

(viii) adults enrolled in a postsecondary educational institution for at
least six credit hours that are required to obtain a degree or certificate for
up to 72 months.

22 The department for children and families shall provide child care for 23 the pursuit of any degree or certification if the occupation has at least an average job outlook listed in the occupational outlook of the U.S.-24 25 department of labor, bureau of labor statistics. For occupations with less than an average job outlook, educational plans shall require approval of 26 the secretary or secretary's designee. Child care may also be approved if 27 28 the student provides verification of a specific job offer that will be-29 available to such student upon completion of the program. Child care for post-secondary education shall be allowed for a lifetime maximum of 24 30 31 months per adult. The 24 months may not have to be consecutive. Students 32 shall be engaged in paid employment for a minimum of 15 hours per-33 week. In a two-parent adult household, child care would not be allowed if 34 both parents are adults and attending a formal education or training-35 program at the same time. The household may choose which one of the 36 parents is participating as a post-secondary student. The other parent shall 37 meet another approvable criteria for child care subsidy.

(17)(16) (A) The secretary for children and families is prohibited from requesting or implementing a waiver or program from the U.S. department of agriculture for the time limited assistance provisions for able-bodied adults aged 18 through 49 without dependents in a household under the food assistance program. The time on food assistance for ablebodied adults aged 18 through 49 without dependents in the household 1 shall be limited to three months in a 36-month period if such adults are not 2 meeting the requirements imposed by the U.S. department of agriculture that they must work for at least 20 hours per week or participate in a 3 4 federally approved work program or its equivalent.

5 (B) Each food assistance household member who is not otherwise 6 exempt from the following work requirements shall: Register for work; 7 participate in an employment and training program, if assigned to such a 8 program by the department; accept a suitable employment offer; and not 9 voluntarily quit a job of at least 30 hours per week.

10 (C) Any recipient who has not complied with the work requirements under subparagraph (B) shall be ineligible to participate in the food 11 assistance program for the following time period and until the recipient 12 complies with such work requirements for a: 13

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(i) For a First penalty, three months;

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(ii) for a second penalty, six months; and

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(iii) for a third penalty and any subsequent penalty, one year.

17 (18)(17) Eligibility for the food assistance program shall be limited to 18 those individuals who are citizens or who meet qualified non-citizen status 19 as determined by U.S. department of agriculture. Non-citizen individuals who are unable or unwilling to provide qualifying immigrant 20 21 documentation, as defined by the U.S. department of agriculture, residing 22 within a household shall not be included when determining the household's 23 size for the purposes of assigning a benefit level to the household for food assistance or comparing the household's monthly income with the income 24 25 eligibility standards. The gross non-exempt earned and unearned income 26 and resources of disqualified individuals shall be counted in its entirety as 27 available to the remaining household members.

28 (19)(18) The secretary for children and families shall not enact the 29 state option from the U.S. department of agriculture for broad-based 30 categorical eligibility for households applying for food assistance 31 according to the provisions of 7 C.F.R. § 273.2(j)(2)(ii).

32 (20)(19) No federal or state funds shall be used for television, radio 33 or billboard advertisements that are designed to promote food assistance 34 benefits and enrollment. No federal or state funding shall be used for any 35 agreements with foreign governments designed to promote food 36 assistance

37 (21)(20) (A) The secretary for children and families shall not apply 38 gross income standards for food assistance higher than the standards 39 specified in 7 U.S.C. § 2015(c) unless expressly required by federal law. 40 Categorical eligibility exempting households from such gross income 41 standards requirements shall not be granted for any non-cash, in-kind or other benefit unless expressly required by federal law. 42

43 (B) The secretary for children and families shall not apply resource limits standards for food assistance that are higher than the standards
 specified in 7 U.S.C. § 2015(g)(1) unless expressly required by federal
 law. Categorical eligibility exempting households from such resource
 limits shall not be granted for any non-cash, in-kind or other benefit unless
 expressly required by federal law.

6 (c) (1) On and after January 1, 2017, The *Kansas* department for 7 children and families shall conduct an electronic check for any false 8 information provided on an application for TANF and other benefits 9 programs administered by the department. For TANF cash assistance, food 10 assistance and the child care subsidy program, the department shall verify 11 the identity of all adults in the assistance household.

12 (2) The department of administration shall provide monthly to the 13 Kansas department for children and families the social security numbers or alternate taxpayer identification numbers of all persons who claim a 14 Kansas lottery prize in excess of \$5,000 during the reported month. The 15 16 Kansas department for children and families shall verify if individuals 17 with such winnings are receiving TANF cash assistance, food assistance or 18 assistance under the child care subsidy program and take appropriate 19 action. The Kansas department for children and families shall use data received under this subsection solely, and for no other purpose, to 20 21 determine if any recipient's eligibility for benefits has been affected by 22 lottery prize winnings. The Kansas department for children and families 23 shall not publicly disclose the identity of any lottery prize winner, 24 including recipients who are determined to have illegally received benefits. 25

26 (d) Temporary assistance for needy families; assignment of support 27 rights and limited power of attorney. By applying for or receiving 28 temporary assistance for needy families such applicant or recipient shall be deemed to have assigned to the secretary on behalf of the state any 29 30 accrued, present or future rights to support from any other person such 31 applicant may have in such person's own behalf or in behalf of any other 32 family member for whom the applicant is applying for or receiving aid. In 33 any case in which an order for child support has been established and the 34 legal custodian and obligee under the order surrenders physical custody of 35 the child to a caretaker relative without obtaining a modification of legal 36 custody and support rights on behalf of the child are assigned pursuant to 37 this section, the surrender of physical custody and the assignment shall 38 transfer, by operation of law, the child's support rights under the order to 39 the secretary on behalf of the state. Such assignment shall be of all 40 accrued, present or future rights to support of the child surrendered to the caretaker relative. The assignment of support rights shall automatically 41 become effective upon the date of approval for or receipt of such aid 42 43 without the requirement that any document be signed by the applicant,

1 recipient or obligee. By applying for or receiving temporary assistance for 2 needy families, or by surrendering physical custody of a child to a 3 caretaker relative who is an applicant or recipient of such assistance on the 4 child's behalf, the applicant, recipient or obligee is also deemed to have 5 appointed the secretary, or the secretary's designee, as an attorney-in-fact 6 to perform the specific act of negotiating and endorsing all drafts, checks, 7 money orders or other negotiable instruments representing support 8 payments received by the secretary in behalf of any person applying for, 9 receiving or having received such assistance. This limited power of 10 attorney shall be effective from the date the secretary approves the application for aid and shall remain in effect until the assignment of 11 12 support rights has been terminated in full.

13 (e) Requirements for medical assistance for which federal moneys or 14 state moneys or both are expended. (1) When the secretary has adopted a medical care plan under which federal moneys or state moneys or both are 15 expended, medical assistance in accordance with such plan shall be 16 17 granted to any person who is a citizen of the United States or who is an alien lawfully admitted to the United States and who is residing in the state 18 19 of Kansas, whose resources and income do not exceed the levels 20 prescribed by the secretary. In determining the need of an individual, the 21 secretary may provide for income and resource exemptions and protected 22 income and resource levels. Resources from inheritance shall be counted. 23 A disclaimer of an inheritance pursuant to K.S.A. 59-2291, and 24 amendments thereto, shall constitute a transfer of resources. The secretary 25 shall exempt principal and interest held in irrevocable trust pursuant to K.S.A. 16-303(c), and amendments thereto, from the eligibility 26 27 requirements of applicants for and recipients of medical assistance. Such 28 assistance shall be known as medical assistance.

29 (2) For the purposes of medical assistance eligibility determinations 30 on or after July 1, 2004, if an applicant or recipient owns property in joint 31 tenancy with some other party and the applicant or recipient of medical 32 assistance has restricted or conditioned their interest in such property to a 33 specific and discrete property interest less than 100%, then such 34 designation will cause the full value of the property to be considered an 35 available resource to the applicant or recipient. Medical assistance 36 eligibility for receipt of benefits under the title XIX of the social security 37 act, commonly known as medicaid, shall not be expanded, as provided for 38 in the patient protection and affordable care act, public law 111-148, 124 39 stat. 119, and the health care and education reconciliation act of 2010, 40 public law 111-152, 124 stat. 1029, unless the legislature expressly 41 consents to, and approves of, the expansion of medicaid services by an act 42 of the legislature.

(3) (A) Resources from trusts shall be considered when determining

eligibility of a trust beneficiary for medical assistance. Medical assistance
 is to be secondary to all resources, including trusts, that may be available
 to an applicant or recipient of medical assistance.

4 (B) If a trust has discretionary language, the trust shall be considered 5 to be an available resource to the extent, using the full extent of discretion, 6 the trustee may make any of the income or principal available to the 7 applicant or recipient of medical assistance. Any such discretionary trust 8 shall be considered an available resource unless:

9 (i) At the time of creation or amendment of the trust, the trust states a 10 clear intent that the trust is supplemental to public assistance; and

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(ii) the trust *is funded*:

(a) Is funded From resources of a person who, at the time of such
 funding, owed no duty of support to the applicant or recipient of medical
 assistance; or

(b) is funded not more than nominally from resources of a person
 while that person owed a duty of support to the applicant or recipient of
 medical assistance.

(C) For the purposes of this paragraph, "public assistance" includes,
but is not limited to, medicaid, medical assistance or title XIX of the social
security act.

21 (4) (A) When an applicant or recipient of medical assistance is a party 22 to a contract, agreement or accord for personal services being provided by 23 a nonlicensed individual or provider and such contract, agreement or accord involves health and welfare monitoring, pharmacy assistance, case 24 25 management, communication with medical, health or other professionals, or other activities related to home health care, long term care, medical 26 assistance benefits, or other related issues, any moneys paid under such 27 contract, agreement or accord shall be considered to be an available 28 29 resource unless the following restrictions are met:

30 (i) The contract, agreement or accord must be in writing and executed31 prior to any services being provided;

(ii) the moneys paid are in direct relationship with the fair market
 value of such services being provided by similarly situated and trained
 nonlicensed individuals;

(iii) if no similarly situated nonlicensed individuals or situations can
be found, the value of services will be based on federal hourly minimum
wage standards;

(iv) such individual providing the services will report all receipts of
 moneys as income to the appropriate state and federal governmental
 revenue agencies;

(v) any amounts due under such contract, agreement or accord shall
be paid after the services are rendered;

43 (vi) the applicant or recipient shall have the power to revoke the

1 contract, agreement or accord; and

2 (vii) upon the death of the applicant or recipient, the contract,3 agreement or accord ceases.

4 (B) When an applicant or recipient of medical assistance is a party to 5 a written contract for personal services being provided by a licensed health 6 professional or facility and such contract involves health and welfare 7 monitoring, pharmacy assistance, case management, communication with 8 medical, health or other professionals, or other activities related to home 9 health care, long term care, medical assistance benefits or other related 10 issues, any moneys paid in advance of receipt of services for such contracts shall be considered to be an available resource. 11

(5) Any trust may be amended if such amendment is permitted by theKansas uniform trust code.

14 (f) Eligibility for medical assistance of resident receiving medical 15 care outside state. A person who is receiving medical care including long-16 term care outside of Kansas whose health would be endangered by the 17 postponement of medical care until return to the state or by travel to return 18 to Kansas, may be determined eligible for medical assistance if such 19 individual is a resident of Kansas and all other eligibility factors are met. 20 Persons who are receiving medical care on an ongoing basis in a long-term 21 medical care facility in a state other than Kansas and who do not return to 22 a care facility in Kansas when they are able to do so, shall no longer be 23 eligible to receive assistance in Kansas unless such medical care is not 24 available in a comparable facility or program providing such medical care 25 in Kansas. For persons who are minors or who are under guardianship, the 26 actions of the parent or guardian shall be deemed to be the actions of the 27 child or ward in determining whether or not the person is remaining 28 outside the state voluntarily.

(g) Medical assistance; assignment of rights to medical support and 29 *limited power of attorney; recovery from estates of deceased recipients.* (1) 30 (A) Except as otherwise provided in K.S.A. 39-786 and 39-787, and 31 32 amendments thereto, or as otherwise authorized on and after September 33 30, 1989, under section 303 of the federal medicare catastrophic coverage 34 act of 1988, whichever is applicable, by applying for or receiving medical 35 assistance under a medical care plan in which federal funds are expended, 36 any accrued, present or future rights to support and any rights to payment 37 for medical care from a third party of an applicant or recipient and any 38 other family member for whom the applicant is applying shall be deemed 39 to have been assigned to the secretary on behalf of the state. The 40 assignment shall automatically become effective upon the date of approval 41 for such assistance without the requirement that any document be signed 42 by the applicant or recipient. By applying for or receiving medical 43 assistance the applicant or recipient is also deemed to have appointed the

1 secretary, or the secretary's designee, as an attorney in fact to perform the 2 specific act of negotiating and endorsing all drafts, checks, money orders 3 or other negotiable instruments, representing payments received by the 4 secretary in on behalf of any person applying for, receiving or having 5 received such assistance. This limited power of attorney shall be effective 6 from the date the secretary approves the application for assistance and 7 shall remain in effect until the assignment has been terminated in full. The 8 assignment of any rights to payment for medical care from a third party 9 under this subsection shall not prohibit a health care provider from directly 10 billing an insurance carrier for services rendered if the provider has not submitted a claim covering such services to the secretary for payment. 11 12 Support amounts collected on behalf of persons whose rights to support 13 are assigned to the secretary only under this subsection and no other shall be distributed pursuant to K.S.A. 39-756(d), and amendments thereto, 14 except that any amounts designated as medical support shall be retained by 15 16 the secretary for repayment of the unreimbursed portion of assistance. 17 Amounts collected pursuant to the assignment of rights to payment for 18 medical care from a third party shall also be retained by the secretary for 19 repayment of the unreimbursed portion of assistance.

(B) Notwithstanding the provisions of subparagraph (A), the
secretary of health and environment, or the secretary's designee, is hereby
authorized to and shall exercise any of the powers specified in
subparagraph (A) in relation to performance of such secretary's duties
pertaining to medical subrogation, estate recovery or any other duties
assigned to such secretary in article 74 of chapter 75 of the Kansas Statutes
Annotated, and amendments thereto.

27 (2) The amount of any medical assistance paid after June 30, 1992, 28 under the provisions of subsection (e) is: (A) a claim against the property 29 or any interest therein belonging to and a part of the estate of any deceased 30 recipient or, if there is no estate, the estate of the surviving spouse, if any, 31 shall be charged for such medical assistance paid to either or both; and (B) 32 a claim against any funds of such recipient or spouse in any account under K.S.A. 9-1215, 17-2263 or 17-2264, and amendments thereto. There shall 33 34 be no recovery of medical assistance correctly paid to or on behalf of an 35 individual under subsection (e) except after the death of the surviving 36 spouse of the individual, if any, and only at a time when the individual has 37 no surviving child who is under 21 years of age or is blind or permanently 38 and totally disabled. Transfers of real or personal property by recipients of 39 medical assistance without adequate consideration are voidable and may 40 be set aside. Except where there is a surviving spouse, or a surviving child 41 who is under 21 years of age or is blind or permanently and totally 42 disabled, the amount of any medical assistance paid under subsection (e) is 43 a claim against the estate in any guardianship or conservatorship

proceeding. The monetary value of any benefits received by the recipient 1 2 of such medical assistance under long-term care insurance, as defined by 3 K.S.A. 40-2227, and amendments thereto, shall be a credit against the 4 amount of the claim provided for such medical assistance under this 5 subsection. The secretary of health and environment is authorized to 6 enforce each claim provided for under this subsection. The secretary of 7 health and environment shall not be required to pursue every claim, but is 8 granted discretion to determine which claims to pursue. All moneys 9 received by the secretary of health and environment from claims under this 10 subsection shall be deposited in the social welfare fund. The secretary of health and environment may adopt rules and regulations for the 11 implementation and administration of the medical assistance recovery 12 13 program under this subsection.

(3) By applying for or receiving medical assistance under the
provisions of article 7 of chapter 39 of the Kansas Statutes Annotated, and
amendments thereto, such individual or such individual's agent, fiduciary,
guardian, conservator, representative payee or other person acting on
behalf of the individual consents to the following definitions of estate and
the results therefrom:

(A) If an individual receives any medical assistance before July 1,
2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated,
and amendments thereto, which forms the basis for a claim under
paragraph (2), such claim is limited to the individual's probatable estate as
defined by applicable law; and

25 (B) if an individual receives any medical assistance on or after July 1, 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated, 26 and amendments thereto, which forms the basis for a claim under 27 28 paragraph (2), such claim shall apply to the individual's medical assistance 29 estate. The medical assistance estate is defined as including all real and 30 personal property and other assets in which the deceased individual had 31 any legal title or interest immediately before or at the time of death to the 32 extent of that interest or title. The medical assistance estate includes, 33 without limitation assets conveyed to a survivor, heir or assign of the 34 deceased recipient through joint tenancy, tenancy in common, 35 survivorship, transfer-on-death deed, payable-on-death contract, life estate, 36 trust, annuities or similar arrangement.

37 (4) The secretary of health and environment or the secretary's 38 designee is authorized to file and enforce a lien against the real property of 39 a recipient of medical assistance in certain situations, subject to all prior 39 liens of record and transfers for value to a bona fide purchaser of record. 40 The lien must be filed in the office of the register of deeds of the county 42 where the real property is located within one year from the date of death of 43 the recipient and must contain the legal description of all real property in 1 the county subject to the lien.

2 (A) After the death of a recipient of medical assistance, the secretary
3 of health and environment or the secretary's designee may place a lien on
4 any interest in real property owned by such recipient.

5 (B) The secretary of health and environment or the secretary's 6 designee may place a lien on any interest in real property owned by a 7 recipient of medical assistance during the lifetime of such recipient. Such 8 lien may be filed only after notice and an opportunity for a hearing has 9 been given. Such lien may be enforced only upon competent medical 10 testimony that the recipient cannot reasonably be expected to be discharged and returned home. A six-month period of compensated 11 12 inpatient care at a nursing home or other medical institution shall 13 constitute a determination by the department of health and environment 14 that the recipient cannot reasonably be expected to be discharged and 15 returned home. To return home means the recipient leaves the nursing or 16 medical facility and resides in the home on which the lien has been placed 17 for a continuous period of at least 90 days without being readmitted as an inpatient to a nursing or medical facility. The amount of the lien shall be 18 19 for the amount of assistance paid by the department of health and 20 environment until the time of the filing of the lien and for any amount paid 21 thereafter for such medical assistance to the recipient. After the lien is filed 22 against any real property owned by the recipient, such lien will be 23 dissolved if the recipient is discharged, returns home and resides upon the 24 real property to which the lien is attached for a continuous period of at 25 least 90 days without being readmitted as an inpatient to a nursing or medical facility. If the recipient is readmitted as an inpatient to a nursing or 26 27 medical facility for a continuous period of less than 90 days, another 28 continuous period of at least 90 days shall be completed prior to 29 dissolution of the lien.

30 (5) The lien filed by the secretary of health and environment or the 31 secretary's designee for medical assistance correctly received may be 32 enforced before or after the death of the recipient by the filing of an action 33 to foreclose such lien in the Kansas district court or through an estate 34 probate court action in the county where the real property of the recipient 35 is located. However, it may be enforced only:

36

(A) After the death of the surviving spouse of the recipient;

(B) when there is no child of the recipient, natural or adopted, who is20 years of age or less residing in the home;

39 (C) when there is no adult child of the recipient, natural or adopted,40 who is blind or disabled residing in the home; or

41 (D) when no brother or sister of the recipient is lawfully residing in 42 the home, who has resided there for at least one year immediately before 43 the date of the recipient's admission to the nursing or medical facility, and

1 has resided there on a continuous basis since that time.

2 (6) The lien remains on the property even after a transfer of the title 3 by conveyance, sale, succession, inheritance or will unless one of the 4 following events occur:

5 (A) The lien is satisfied. The recipient, the heirs, personal 6 representative or assigns of the recipient may discharge such lien at any 7 time by paying the amount of the lien to the secretary of health and 8 environment or the secretary's designee;

9 (B) the lien is terminated by foreclosure of prior lien of record or 10 settlement action taken in lieu of foreclosure; or

(C) the value of the real property is consumed by the lien, at which
time the secretary of health and environment or the secretary's designee
may force the sale for the real property to satisfy the lien.

14 (7) If the secretary for aging and disability services or the secretary of 15 health and environment, or both, or such secretary's designee has not filed 16 an action to foreclose the lien in the Kansas district court in the county where the real property is located within 10 years from the date of the 17 18 filing of the lien, then the lien shall become dormant, and shall cease to 19 operate as a lien on the real estate of the recipient. Such dormant lien may 20 be revived in the same manner as a dormant judgment lien is revived under 21 K.S.A. 60-2403 et seq., and amendments thereto.

(8) Within seven days of receipt of notice by the secretary for children and families or the secretary's designee of the death of a recipient of medical assistance under this subsection, the secretary for children and families or the secretary's designee shall give notice of such recipient's death to the secretary of health and environment or the secretary's designee.

(9) All rules and regulations adopted on and after July 1, 2013, and
prior to July 1, 2014, to implement this subsection shall continue to be
effective and shall be deemed to be duly adopted rules and regulations of
the secretary of health and environment until revised, amended, revoked or
nullified pursuant to law.

33 (h) Placement under the revised Kansas code for care of children or 34 revised Kansas juvenile justice code; assignment of support rights and 35 limited power of attorney. In any case in which the secretary for children 36 and families pays for the expenses of care and custody of a child pursuant 37 to K.S.A. 38-2201 et seq. or 38-2301 et seq., and amendments thereto, 38 including the expenses of any foster care placement, an assignment of all 39 past, present and future support rights of the child in custody possessed by 40 either parent or other person entitled to receive support payments for the 41 child is, by operation of law, conveyed to the secretary. Such assignment 42 shall become effective upon placement of a child in the custody of the 43 secretary or upon payment of the expenses of care and custody of a child

1 by the secretary without the requirement that any document be signed by 2 the parent or other person entitled to receive support payments for the 3 child. When the secretary pays for the expenses of care and custody of a 4 child or a child is placed in the custody of the secretary, the parent or other 5 person entitled to receive support payments for the child is also deemed to 6 have appointed the secretary, or the secretary's designee, as attorney in fact 7 to perform the specific act of negotiating and endorsing all drafts, checks, 8 money orders or other negotiable instruments representing support 9 payments received by the secretary on behalf of the child. This limited 10 power of attorney shall be effective from the date the assignment to support rights becomes effective and shall remain in effect until the 11 12 assignment of support rights has been terminated in full.

13 (i) No person who voluntarily quits employment or who is fired from employment due to gross misconduct as defined by rules and regulations 14 of the secretary or who is a fugitive from justice by reason of a felony 15 16 conviction or charge or violation of a condition of probation or parole 17 imposed under federal or state law shall be eligible to receive public 18 assistance benefits in this state. Any recipient of public assistance who 19 fails to timely comply with monthly reporting requirements under criteria 20 and guidelines prescribed by rules and regulations of the secretary shall be 21 subject to a penalty established by the secretary by rules and regulations.

22 (i) If the applicant or recipient of temporary assistance for needy 23 families is a mother of the dependent child, as a condition of the mother's 24 eligibility for temporary assistance for needy families the mother shall 25 identify by name and, if known, by current address the father of the dependent child except that the secretary may adopt by rules and 26 27 regulations exceptions to this requirement in cases of undue hardship. Any 28 recipient of temporary assistance for needy families who fails to cooperate 29 with requirements relating to child support services under criteria and 30 guidelines prescribed by rules and regulations of the secretary shall be 31 subject to a penalty established by the secretary.

32 (k) By applying for or receiving child care benefits or food assistance, 33 the applicant or recipient shall be deemed to have assigned, pursuant to 34 K.S.A. 39-756, and amendments thereto, to the secretary on behalf of the 35 state only accrued, present or future rights to support from any other 36 person such applicant may have in such person's own behalf or in behalf of 37 any other family member for whom the applicant is applying for or-38 receiving aid. The assignment of support rights shall automatically become 39 effective upon the date of approval for or receipt of such aid without the 40 requirement that any document be signed by the applicant or recipient. By applying for or receiving child care benefits or food assistance, the-41 42 applicant or recipient is also deemed to have appointed the secretary, or the 43 secretary's designee, as an attorney in fact to perform the specific act of

negotiating and endorsing all drafts, checks, money orders or other-1 2 negotiable instruments representing support payments received by the 3 secretary in behalf of any person applying for, receiving or havingreceived such assistance. This limited power of attorney shall be effective 4 5 from the date the secretary approves the application for aid and shall-6 remain in effect until the assignment of support rights has been terminated 7 in full. An applicant or recipient who has assigned support rights to the 8 secretary pursuant to this subsection shall cooperate in establishing and 9 enforcing support obligations to the same extent required of applicants for or recipients of temporary assistance for needy families. 10

11 (1) (1) A program of drug screening for applicants for cash assistance 12 as a condition of eligibility for cash assistance and persons receiving cash assistance as a condition of continued receipt of cash assistance shall be 13 14 established, subject to applicable federal law, by the secretary for children 15 and families on and before January 1, 2014. Under such program of drug 16 screening, the secretary for children and families shall order a drug 17 screening of an applicant for or a recipient of cash assistance at any time when reasonable suspicion exists that such applicant for or recipient of 18 19 cash assistance is unlawfully using a controlled substance or controlled 20 substance analog. The secretary for children and families may use any 21 information obtained by the secretary for children and families to 22 determine whether such reasonable suspicion exists, including, but not 23 limited to, an applicant's or recipient's demeanor, missed appointments and 24 arrest or other police records, previous employment or application for 25 employment in an occupation or industry that regularly conducts drug 26 screening, termination from previous employment due to unlawful use of a 27 controlled substance or controlled substance analog or prior drug screening 28 records of the applicant or recipient indicating unlawful use of a controlled 29 substance or controlled substance analog.

30 (2) Any applicant for or recipient of cash assistance whose drug 31 screening results in a positive test may request that the drug screening 32 specimen be sent to a different drug testing facility for an additional drug 33 screening. Any applicant for or recipient of cash assistance who requests 34 an additional drug screening at a different drug testing facility shall be 35 required to pay the cost of drug screening. Such applicant or recipient who 36 took the additional drug screening and who tested negative for unlawful 37 use of a controlled substance and controlled substance analog shall be 38 reimbursed for the cost of such additional drug screening.

(3) Any applicant for or recipient of cash assistance who tests
positive for unlawful use of a controlled substance or controlled substance
analog shall be required to complete a substance abuse treatment program
approved by the secretary for children and families, secretary of labor or
secretary of commerce, and a job skills program approved by the secretary

for children and families, secretary of labor or secretary of commerce. 1 2 Subject to applicable federal laws, any applicant for or recipient of cash 3 assistance who fails to complete or refuses to participate in the substance 4 abuse treatment program or job skills program as required under this 5 subsection shall be ineligible to receive cash assistance until completion of 6 such substance abuse treatment and job skills programs. Upon completion 7 of both substance abuse treatment and job skills programs, such applicant 8 for or recipient of cash assistance may be subject to periodic drug 9 screening, as determined by the secretary for children and families. Upon a 10 second positive test for unlawful use of a controlled substance or controlled substance analog, a recipient of cash assistance shall be ordered 11 12 to complete again a substance abuse treatment program and job skills 13 program, and shall be terminated from cash assistance for a period of 12 14 months, or until such recipient of cash assistance completes both substance 15 abuse treatment and job skills programs, whichever is later. Upon a third 16 positive test for unlawful use of a controlled substance or controlled 17 substance analog, a recipient of cash assistance shall be terminated from 18 cash assistance, subject to applicable federal law.

19 (4) If an applicant for or recipient of cash assistance is ineligible for 20 or terminated from cash assistance as a result of a positive test for 21 unlawful use of a controlled substance or controlled substance analog, and 22 such applicant for or recipient of cash assistance is the parent or legal 23 guardian of a minor child, an appropriate protective payee shall be 24 designated to receive cash assistance on behalf of such child. Such parent 25 or legal guardian of the minor child may choose to designate an individual 26 to receive cash assistance for such parent's or legal guardian's minor child, as approved by the secretary for children and families. Prior to the 27 28 designated individual receiving any cash assistance, the secretary for 29 children and families shall review whether reasonable suspicion exists that 30 such designated individual is unlawfully using a controlled substance or 31 controlled substance analog.

32 (A) In addition, any individual designated to receive cash assistance 33 on behalf of an eligible minor child shall be subject to drug screening at 34 any time when reasonable suspicion exists that such designated individual 35 is unlawfully using a controlled substance or controlled substance analog. 36 The secretary for children and families may use any information obtained 37 by the secretary for children and families to determine whether such 38 reasonable suspicion exists, including, but not limited to, the designated 39 individual's demeanor, missed appointments and arrest or other police 40 records, previous employment or application for employment in an 41 occupation or industry that regularly conducts drug screening, termination 42 from previous employment due to unlawful use of a controlled substance 43 or controlled substance analog or prior drug screening records of the

designated individual indicating unlawful use of a controlled substance or
 controlled substance analog.

3 (B) Any designated individual whose drug screening results in a 4 positive test may request that the drug screening specimen be sent to a 5 different drug testing facility for an additional drug screening. Any 6 designated individual who requests an additional drug screening at a 7 different drug testing facility shall be required to pay the cost of drug 8 screening. Such designated individual who took the additional drug 9 screening and who tested negative for unlawful use of a controlled 10 substance and controlled substance analog shall be reimbursed for the cost of such additional drug screening. 11

12 (C) Upon any positive test for unlawful use of a controlled substance 13 or controlled substance analog, the designated individual shall not receive 14 cash assistance on behalf of the parent's or legal guardian's minor child, 15 and another designated individual shall be selected by the secretary for 16 children and families to receive cash assistance on behalf of such parent's 17 or legal guardian's minor child.

18 (5) If a person has been convicted under federal or state law of any 19 offense which that is classified as a felony by the law of the jurisdiction 20 and which has as an element of such offense the manufacture, cultivation. 21 distribution, possession or use of a controlled substance or controlled 22 substance analog, and the date of conviction is on or after July 1, 2013, 23 such person shall thereby become forever ineligible to receive any cash 24 assistance under this subsection unless such conviction is the person's first 25 conviction. First-time offenders convicted under federal or state law of any offense-which that is classified as a felony by the law of the jurisdiction 26 27 and which has as an element of such offense the manufacture, cultivation, 28 distribution, possession or use of a controlled substance or controlled 29 substance analog, and the date of conviction is on or after July 1, 2013, 30 such person shall become ineligible to receive cash assistance for five 31 years from the date of conviction.

(6) Except for hearings before the Kansas department for children
and families or, the results of any drug screening administered as part of
the drug screening program authorized by this subsection shall be
confidential and shall not be disclosed publicly.

(7) The secretary for children and families may adopt such rules and
 regulations as are necessary to carry out the provisions of this subsection.

(8) Any authority granted to the secretary for children and families
under this subsection shall be in addition to any other penalties prescribed
by law.

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(9) As used in this subsection:

42 (A) "Cash assistance" means cash assistance provided to individuals 43 under the provisions of article 7 of chapter 39 of the Kansas Statutes

- 1 Annotated, and amendments thereto, and any rules and regulations adopted
- 2 pursuant to such-statutes provisions.
- (B) "Controlled substance" means the same as in K.S.A. 2021 Supp.
  21-5701, and amendments thereto, and 21 U.S.C. § 802.
- 5 (C) "Controlled substance analog" means the same as in K.S.A. 2021 6 Supp. 21-5701, and amendments thereto.
- 7 Sec. 2. K.S.A. 39-709 is hereby repealed.
- 8 Sec. 3. This act shall take effect and be in force from and after its 9 publication in the statute book.