

HOUSE BILL No. 2951

By Committee on Appropriations

3-5

9 AN ACT concerning social welfare; relating to medicaid eligibility
10 requirements; amending K.S.A. 39-709 and repealing the existing
11 section.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 39-709 is hereby amended to read as follows: 39-
15 709. (a) *General eligibility requirements for assistance for which federal*
16 *moneys are expended.* Subject to the additional requirements below, as-
17 sistance in accordance with plans under which federal moneys are ex-
18 pended may be granted to any needy person who:

19 (1) Has insufficient income or resources to provide a reasonable sub-
20 sistence compatible with decency and health. Where a husband and wife
21 are living together, the combined income or resources of both shall be
22 considered in determining the eligibility of either or both for such assis-
23 tance unless otherwise prohibited by law. The secretary, in determining
24 need of any applicant for or recipient of assistance shall not take into
25 account the financial responsibility of any individual for any applicant or
26 recipient of assistance unless such applicant or recipient is such individ-
27 ual's spouse or such individual's minor child or minor stepchild if the
28 stepchild is living with such individual. The secretary in determining need
29 of an individual may provide such income and resource exemptions as
30 may be permitted by federal law. For purposes of eligibility for aid for
31 families with dependent children, for food stamp assistance and for any
32 other assistance provided through the department of social and rehabil-
33 itation services under which federal moneys are expended, the secretary
34 of social and rehabilitation services shall consider one motor vehicle
35 owned by the applicant for assistance, regardless of the value of such
36 vehicle, as exempt personal property and shall consider any equity in any
37 additional motor vehicle owned by the applicant for assistance to be a
38 nonexempt resource of the applicant for assistance.

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

41 (b) *Assistance to families with dependent children.* Assistance may be
42 granted under this act to any dependent child, or relative, subject to the
43 general eligibility requirements as set out in subsection (a), who resides

1 in the state of Kansas or whose parent or other relative with whom the
2 child is living resides in the state of Kansas. Such assistance shall be known
3 as aid to families with dependent children. Where husband and wife are
4 living together both shall register for work under the program require-
5 ments for aid to families with dependent children in accordance with
6 criteria and guidelines prescribed by rules and regulations of the
7 secretary.

8 (c) *Aid to families with dependent children; assignment of support*
9 *rights and limited power of attorney.* By applying for or receiving aid to
10 families with dependent children such applicant or recipient shall be
11 deemed to have assigned to the secretary on behalf of the state any ac-
12 crued, present or future rights to support from any other person such
13 applicant may have in such person's own behalf or in behalf of any other
14 family member for whom the applicant is applying for or receiving aid.
15 In any case in which an order for child support has been established and
16 the legal custodian and obligee under the order surrenders physical cus-
17 tody of the child to a caretaker relative without obtaining a modification
18 of legal custody and support rights on behalf of the child are assigned
19 pursuant to this section, the surrender of physical custody and the as-
20 signment shall transfer, by operation of law, the child's support rights
21 under the order to the secretary on behalf of the state. Such assignment
22 shall be of all accrued, present or future rights to support of the child
23 surrendered to the caretaker relative. The assignment of support rights
24 shall automatically become effective upon the date of approval for or
25 receipt of such aid without the requirement that any document be signed
26 by the applicant, recipient or obligee. By applying for or receiving aid to
27 families with dependent children, or by surrendering physical custody of
28 a child to a caretaker relative who is an applicant or recipient of such
29 assistance on the child's behalf, the applicant, recipient or obligee is also
30 deemed to have appointed the secretary, or the secretary's designee, as
31 an attorney in fact to perform the specific act of negotiating and endorsing
32 all drafts, checks, money orders or other negotiable instruments repre-
33 senting support payments received by the secretary in behalf of any per-
34 son applying for, receiving or having received such assistance. This limited
35 power of attorney shall be effective from the date the secretary approves
36 the application for aid and shall remain in effect until the assignment of
37 support rights has been terminated in full.

38 (d) *Eligibility requirements for general assistance, the cost of which*
39 *is not shared by the federal government.* (1) General assistance may be
40 granted to eligible persons who do not qualify for financial assistance in
41 a program in which the federal government participates and who satisfy
42 the additional requirements prescribed by or under this subsection (d).

43 (A) To qualify for general assistance in any form a needy person must

1 have insufficient income or resources to provide a reasonable subsistence
2 compatible with decency and health and, except as provided for transi-
3 tional assistance, be a member of a family in which a minor child or a
4 pregnant woman resides or be unable to engage in employment. The
5 secretary shall adopt rules and regulations prescribing criteria for estab-
6 lishing when a minor child may be considered to be living with a family
7 and whether a person is able to engage in employment, including such
8 factors as age or physical or mental condition. Eligibility for general as-
9 sistance, other than transitional assistance, is limited to families in which
10 a minor child or a pregnant woman resides or to an adult or family in
11 which all legally responsible family members are unable to engage in
12 employment. Where a husband and wife are living together the combined
13 income or resources of both shall be considered in determining the eli-
14 gibility of either or both for such assistance unless otherwise prohibited
15 by law. The secretary in determining need of any applicant for or recipient
16 of general assistance shall not take into account the financial responsibility
17 of any individual for any applicant or recipient of general assistance unless
18 such applicant or recipient is such individual's spouse or such individual's
19 minor child or a minor stepchild if the stepchild is living with such indi-
20 vidual. In determining the need of an individual, the secretary may pro-
21 vide for income and resource exemptions.

22 (B) To qualify for general assistance in any form a needy person must
23 be a citizen of the United States or an alien lawfully admitted to the
24 United States and must be residing in the state of Kansas.

25 (2) General assistance in the form of transitional assistance may be
26 granted to eligible persons who do not qualify for financial assistance in
27 a program in which the federal government participates and who satisfy
28 the additional requirements prescribed by or under this subsection (d),
29 but who do not meet the criteria prescribed by rules and regulations of
30 the secretary relating to inability to engage in employment or are not a
31 member of a family in which a minor or a pregnant woman resides.

32 (3) In addition to the other requirements prescribed under this sub-
33 section (d), the secretary shall adopt rules and regulations which establish
34 community work experience program requirements for eligibility for the
35 receipt of general assistance in any form and which establish penalties to
36 be imposed when a work assignment under a community work experience
37 program requirement is not completed without good cause. The secretary
38 may adopt rules and regulations establishing exemptions from any such
39 community work experience program requirements. A first time failure
40 to complete such a work assignment requirement shall result in ineligi-
41 bility to receive general assistance for a period fixed by such rules and
42 regulations of not more than three calendar months. A subsequent failure
43 to complete such a work assignment requirement shall result in a period

1 fixed by such rules and regulations of ineligibility of not more than six
2 calendar months.

3 (4) If any person is found guilty of the crime of theft under the pro-
4 visions of K.S.A. 39-720, and amendments thereto, such person shall
5 thereby become forever ineligible to receive any form of general assis-
6 tance under the provisions of this subsection (d) unless the conviction is
7 the person's first conviction under the provisions of K.S.A. 39-720, and
8 amendments thereto, or the law of any other state concerning welfare
9 fraud. First time offenders convicted of a misdemeanor under the pro-
10 visions of such statute shall become ineligible to receive any form of
11 general assistance for a period of 12 calendar months from the date of
12 conviction. First time offenders convicted of a felony under the provisions
13 of such statute shall become ineligible to receive any form of general
14 assistance for a period of 60 calendar months from the date of conviction.
15 If any person is found guilty by a court of competent jurisdiction of any
16 state other than the state of Kansas of a crime involving welfare fraud,
17 such person shall thereby become forever ineligible to receive any form
18 of general assistance under the provisions of this subsection (d) unless
19 the conviction is the person's first conviction under the law of any other
20 state concerning welfare fraud. First time offenders convicted of a mis-
21 demeanor under the law of any other state concerning welfare fraud shall
22 become ineligible to receive any form of general assistance for a period
23 of 12 calendar months from the date of conviction. First time offenders
24 convicted of a felony under the law of any other state concerning welfare
25 fraud shall become ineligible to receive any form of general assistance for
26 a period of 60 calendar months from the date of conviction.

27 (e) *Requirements for medical assistance for which federal moneys or*
28 *state moneys or both are expended.* (1) When the secretary has adopted
29 a medical care plan under which federal moneys or state moneys or both
30 are expended, medical assistance in accordance with such plan shall be
31 granted to any person who is a citizen of the United States or who is an
32 alien lawfully admitted to the United States and who is residing in the
33 state of Kansas, whose resources and income do not exceed the levels
34 prescribed by the secretary. In determining the need of an individual, the
35 secretary may provide for income and resource exemptions and protected
36 income and resource levels. Resources from inheritance shall be counted.
37 A disclaimer of an inheritance pursuant to K.S.A. 59-2291, and amend-
38 ments thereto, shall constitute a transfer of resources. The secretary shall
39 exempt principal and interest held in irrevocable trust pursuant to sub-
40 section (c) of K.S.A. 16-303, and amendments thereto, from the eligibility
41 requirements of applicants for and recipients of medical assistance. Such
42 assistance shall be known as medical assistance.

43 (2) For the purposes of medical assistance eligibility determinations

1 on or after July 1, 2004, if an applicant or recipient owns property in joint
2 tenancy with some other party and the applicant or recipient of medical
3 assistance has restricted or conditioned their interest in such property to
4 a specific and discrete property interest less than 100%, then such des-
5 ignation will cause the full value of the property to be considered an
6 available resource to the applicant or recipient.

7 (3) Resources from trusts shall be considered when determining el-
8 igibility of a trust beneficiary for medical assistance. Medical assistance is
9 to be secondary to all resources, including trusts, that may be available
10 to an applicant or recipient of medical assistance. If a trust has discre-
11 tionary language, the trust shall be considered to be an available resource
12 to the extent, using the full extent of discretion, the trustee may make
13 any of the income or principal available to the applicant or recipient of
14 medical assistance. Any such discretionary trust shall be considered an
15 available resource unless: ~~(1)~~ (A) The trust is funded exclusively from
16 resources of a person who, at the time of creation of the trust, owed no
17 duty of support to the applicant or recipient; and ~~(2)~~ (B) the trust contains
18 specific contemporaneous language that states an intent that the trust be
19 supplemental to public assistance and the trust makes specific reference
20 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
23 by a nonlicensed individual or provider and such contract, agreement or
24 accord involves health and welfare monitoring, pharmacy assistance, case
25 management, communication with medical, health or other professionals,
26 or other activities related to home health care, long term care, medical
27 assistance benefits, or other related issues, any moneys paid under such
28 contract, agreement or accord shall be considered to be an available re-
29 source unless the following restrictions are met: (i) The contract, agree-
30 ment or accord must be in writing and executed prior to any services
31 being provided; (ii) the moneys paid are in direct relationship with the
32 fair market value of such services being provided by similarly situated and
33 trained nonlicensed individuals; (iii) if no similarly situated nonlicensed
34 individuals or situations can be found, the value of services will be based
35 on federal hourly minimum wage standards; (iv) such individual providing
36 the services will report all receipts of moneys as income to the appropriate
37 state and federal governmental revenue agencies; (v) any amounts due
38 under such contract, agreement or accord shall be paid after the services
39 are rendered; (vi) the applicant or recipient shall have the power to revoke
40 the contract, agreement or accord; and (vii) upon the death of the appli-
41 cant or recipient, the contract, agreement or accord ceases.

42 (B) When an applicant or recipient of medical assistance is a party to
43 a written contract for personal services being provided by a licensed

1 health professional or facility and such contract involves health and wel-
2 fare monitoring, pharmacy assistance, case management, communication
3 with medical, health or other professionals, or other activities related to
4 home health care, long term care, medical assistance benefits or other
5 related issues, any moneys paid in advance of receipt of services for such
6 contracts shall be considered to be an available resource.

7 (5) (A) *For purposes of this subsection (e)(5), “annuity” means a pol-
8 icy, certificate, contract, or other arrangement between two or more par-
9 ties whereby one party pays money or other valuable consideration to the
10 other party in return for the right to receive payments in the future.*

11 (B) *The secretary shall consider the value of purchased annuity by,
12 or on behalf of, an annuitant who has applied for nursing facility or other
13 long-term care services to be a resource for purposes of determining med-
14 ical assistance eligibility.*

15 (C) *The secretary shall not consider the value of purchased annuity
16 by, or on behalf of, an annuitant who has applied for nursing facility or
17 other long-term care services to be a resource for purposes of determining
18 medical assistance eligibility when:*

19 (i) *The annuity is an annuity described in subsection (b) or (q) of
20 section 408 of the internal revenue code of 1986 or purchased with pro-
21 ceeds from an account or trust described in subsection (a), (c) or (p) of
22 section 408 of the federal internal revenue code of 1986, as amended; and
23 the department is (a) named as a remainder beneficiary in the first person
24 for at least the total amount of medical assistance paid on behalf of the
25 annuitant or (b) named as a remainder beneficiary in the second position
26 after a spouse or child and is named in the first position if such spouse
27 or representative of such child disposes of any such remainder for less
28 than fair market value; or*

29 (ii) *the annuity is irrevocable, non-assignable and actuarially sound,
30 as determined in accordance with actuarial publications of the office of
31 the chief actuary of the social security administration providing for pay-
32 ments in equal amounts during the term of the annuity with no deferral
33 and no balloon payments made and the department is (a) named as a
34 remainder beneficiary in the first person for at least the total amount of
35 medical assistance paid on behalf of the annuitant or (b) named as a
36 remainder beneficiary in the second position after spouse or child and is
37 named in the first position if such spouse or representative of such child
38 disposes of any such remainder for less than fair market value.*

39 (f) *Eligibility for medical assistance of resident receiving medical care
40 outside state. A person who is receiving medical care including long-term
41 care outside of Kansas whose health would be endangered by the post-
42 ponement of medical care until return to the state or by travel to return
43 to Kansas, may be determined eligible for medical assistance if such in-*

1 individual is a resident of Kansas and all other eligibility factors are met.
2 Persons who are receiving medical care on an ongoing basis in a long-
3 term medical care facility in a state other than Kansas and who do not
4 return to a care facility in Kansas when they are able to do so, shall no
5 longer be eligible to receive assistance in Kansas unless such medical care
6 is not available in a comparable facility or program providing such medical
7 care in Kansas. For persons who are minors or who are under guardi-
8 anship, the actions of the parent or guardian shall be deemed to be the
9 actions of the child or ward in determining whether or not the person is
10 remaining outside the state voluntarily.

11 (g) *Medical assistance; assignment of rights to medical support and*
12 *limited power of attorney; recovery from estates of deceased recipients.*
13 (1) Except as otherwise provided in K.S.A. 39-786 and 39-787, and
14 amendments thereto, or as otherwise authorized on and after September
15 30, 1989, under section 303 and amendments thereto of the federal medi-
16 care catastrophic coverage act of 1988, whichever is applicable, by ap-
17 plying for or receiving medical assistance under a medical care plan in
18 which federal funds are expended, any accrued, present or future rights
19 to support and any rights to payment for medical care from a third party
20 of an applicant or recipient and any other family member for whom the
21 applicant is applying shall be deemed to have been assigned to the sec-
22 retary on behalf of the state. The assignment shall automatically become
23 effective upon the date of approval for such assistance without the re-
24 quirement that any document be signed by the applicant or recipient. By
25 applying for or receiving medical assistance the applicant or recipient is
26 also deemed to have appointed the secretary, or the secretary's designee,
27 as an attorney in fact to perform the specific act of negotiating and en-
28 dorsing all drafts, checks, money orders or other negotiable instruments,
29 representing payments received by the secretary in behalf of any person
30 applying for, receiving or having received such assistance. This limited
31 power of attorney shall be effective from the date the secretary approves
32 the application for assistance and shall remain in effect until the assign-
33 ment has been terminated in full. The assignment of any rights to pay-
34 ment for medical care from a third party under this subsection shall not
35 prohibit a health care provider from directly billing an insurance carrier
36 for services rendered if the provider has not submitted a claim covering
37 such services to the secretary for payment. Support amounts collected on
38 behalf of persons whose rights to support are assigned to the secretary
39 only under this subsection and no other shall be distributed pursuant to
40 subsection (d) of K.S.A. 39-756, and amendments thereto, except that
41 any amounts designated as medical support shall be retained by the sec-
42 retary for repayment of the unreimbursed portion of assistance. Amounts
43 collected pursuant to the assignment of rights to payment for medical

1 care from a third party shall also be retained by the secretary for repay-
2 ment of the unreimbursed portion of assistance.

3 (2) The amount of any medical assistance paid after June 30, 1992,
4 under the provisions of subsection (e) is (A) a claim against the property
5 or any interest therein belonging to and a part of the estate of any de-
6 ceased recipient or, if there is no estate, the estate of the surviving spouse,
7 if any, shall be charged for such medical assistance paid to either or both,
8 and (B) a claim against any funds of such recipient or spouse in any
9 account under K.S.A. 9-1215, 9-1216, 17-2263, 17-2264, 17-5828 or 17-
10 5829, and amendments thereto. There shall be no recovery of medical
11 assistance correctly paid to or on behalf of an individual under subsection
12 (e) except after the death of the surviving spouse of the individual, if any,
13 and only at a time when the individual has no surviving child who is under
14 21 years of age or is blind or permanently and totally disabled. Transfers
15 of real or personal property by recipients of medical assistance without
16 adequate consideration are voidable and may be set aside. Except where
17 there is a surviving spouse, or a surviving child who is under 21 years of
18 age or is blind or permanently and totally disabled, the amount of any
19 medical assistance paid under subsection (e) is a claim against the estate
20 in any guardianship or conservatorship proceeding. The monetary value
21 of any benefits received by the recipient of such medical assistance under
22 long-term care insurance, as defined by K.S.A. 40-2227, and amendments
23 thereto, shall be a credit against the amount of the claim provided for
24 such medical assistance under this subsection (g). The secretary is au-
25 thorized to enforce each claim provided for under this subsection (g).
26 The secretary shall not be required to pursue every claim, but is granted
27 discretion to determine which claims to pursue. All moneys received by
28 the secretary from claims under this subsection (g) shall be deposited in
29 the social welfare fund. The secretary may adopt rules and regulations
30 for the implementation and administration of the medical assistance re-
31 covery program under this subsection (g).

32 (3) By applying for or receiving medical assistance under the provi-
33 sions of article 7 of chapter 39 of the Kansas Statutes Annotated, such
34 individual or such individual's agent, fiduciary, guardian, conservator, rep-
35 resentative payee or other person acting on behalf of the individual con-
36 sents to the following definitions of estate and the results therefrom:

37 (A) If an individual receives any medical assistance before July 1,
38 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated,
39 which forms the basis for a claim under subsection (g)(2), such claim is
40 limited to the individual's probatable estate as defined by applicable law;
41 and

42 (B) if an individual receives any medical assistance on or after July 1,
43 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated,

1 which forms the basis for a claim under subsection (g)(2), such claim shall
2 apply to the individual's medical assistance estate. The medical assistance
3 estate is defined as including all real and personal property and other
4 assets in which the deceased individual had any legal title or interest
5 immediately before or at the time of death to the extent of that interest
6 or title. The medical assistance estate includes, without limitation assets
7 conveyed to a survivor, heir or assign of the deceased recipient through
8 joint tenancy, tenancy in common, survivorship, transfer-on-death deed,
9 payable-on-death contract, life estate, trust, annuities or similar
10 arrangement.

11 (4) The secretary of social and rehabilitation services or the secre-
12 tary's designee is authorized to file and enforce a lien against the real
13 property of a recipient of medical assistance in certain situations, subject
14 to all prior liens of record. The lien must be filed in the office of the
15 register of deeds of the county where the real property is located and
16 must contain the legal description of all real property in the county subject
17 to the lien. This lien is for payments of medical assistance made by the
18 department of social and rehabilitation services to the recipient who is an
19 inpatient in a nursing home or other medical institution. Such lien may
20 be filed only after notice and an opportunity for a hearing has been given.
21 Such lien may be enforced only upon competent medical testimony that
22 the recipient cannot reasonably be expected to be discharged and re-
23 turned home. A six-month period of compensated inpatient care at a
24 nursing home, nursing homes or other medical institution shall constitute
25 a determination by the department of social and rehabilitation services
26 that the recipient cannot reasonably be expected to be discharged and
27 returned home. To return home means the recipient leaves the nursing
28 or medical facility and resides in the home on which the lien has been
29 placed for a period of at least 90 days without being readmitted as an
30 inpatient to a nursing or medical facility. The amount of the lien shall be
31 for the amount of assistance paid by the department of social and reha-
32 bilitation services after the expiration of six months from the date the
33 recipient became eligible for compensated inpatient care at a nursing
34 home, nursing homes or other medical institution until the time of the
35 filing of the lien and for any amount paid thereafter for such medical
36 assistance to the recipient.

37 (5) The lien filed by the secretary or the secretary's designee for med-
38 ical assistance correctly received may be enforced before or after the
39 death of the recipient by the filing of an action to foreclose such lien in
40 the Kansas district court or through an estate probate court action in the
41 county where the real property of the recipient is located. However, it
42 may be enforced only:

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

- 1 (B) when there is no child of the recipient, natural or adopted, who
2 is 20 years of age or less residing in the home;
- 3 (C) when there is no adult child of the recipient, natural or adopted,
4 who is blind or disabled residing in the home; or
- 5 (D) when no brother or sister of the recipient is lawfully residing in
6 the home, who has resided there for at least one year immediately before
7 the date of the recipient's admission to the nursing or medical facility,
8 and has resided there on a continuous basis since that time.
- 9 (6) The lien remains on the property even after a transfer of the title
10 by conveyance, sale, succession, inheritance or will unless one of the fol-
11 lowing events occur:
- 12 (A) The lien is satisfied. The recipient, the heirs, personal represen-
13 tative or assigns of the recipient may discharge such lien at any time by
14 paying the amount of the lien to the secretary or the secretary's designee;
- 15 (B) the lien is terminated by foreclosure of prior lien of record or
16 settlement action taken in lieu of foreclosure;
- 17 (C) the value of the real property is consumed by the lien, at which
18 time the secretary or the secretary's designee may force the sale for the
19 real property to satisfy the lien; or
- 20 (D) after a lien is filed against the real property, it will be dissolved
21 if the recipient leaves the nursing or medical facility and resides in the
22 property to which the lien is attached for a period of more than 90 days
23 without being readmitted as an inpatient to a nursing or medical facility,
24 even though there may have been no reasonable expectation that this
25 would occur. If the recipient is readmitted to a nursing or medical facility
26 during this period, and does return home after being released, another
27 90 days must be completed before the lien can be dissolved.
- 28 (7) If the secretary of social and rehabilitation services or the secre-
29 tary's designee has not filed an action to foreclose the lien in the Kansas
30 district court in the county where the real property is located within 10
31 years from the date of the filing of the lien, then the lien shall become
32 dormant, and shall cease to operate as a lien on the real estate of the
33 recipient. Such dormant lien may be revived in the same manner as a
34 dormant judgment lien is revived under K.S.A. 60-2403 et seq., and
35 amendments thereto.
- 36 (h) *Placement under the revised Kansas code for care of children or*
37 *revised Kansas juvenile justice code; assignment of support rights and*
38 *limited power of attorney.* In any case in which the secretary of social and
39 rehabilitation services pays for the expenses of care and custody of a child
40 pursuant to K.S.A. 2007 Supp. 38-2201 et seq., or 38-2301 et seq., and
41 amendments thereto, including the expenses of any foster care place-
42 ment, an assignment of all past, present and future support rights of the
43 child in custody possessed by either parent or other person entitled to

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

17 (i) No person who voluntarily quits employment or who is fired from
18 employment due to gross misconduct as defined by rules and regulations
19 of the secretary or who is a fugitive from justice by reason of a felony
20 conviction or charge shall be eligible to receive public assistance benefits
21 in this state. Any recipient of public assistance who fails to timely comply
22 with monthly reporting requirements under criteria and guidelines pre-
23 scribed by rules and regulations of the secretary shall be subject to a
24 penalty established by the secretary by rules and regulations.

25 (j) If the applicant or recipient of aid to families with dependent chil-
26 dren is a mother of the dependent child, as a condition of the mother's
27 eligibility for aid to families with dependent children the mother shall
28 identify by name and, if known, by current address the father of the
29 dependent child except that the secretary may adopt by rules and regu-
30 lations exceptions to this requirement in cases of undue hardship. Any
31 recipient of aid to families with dependent children who fails to cooperate
32 with requirements relating to child support enforcement under criteria
33 and guidelines prescribed by rules and regulations of the secretary shall
34 be subject to a penalty established by the secretary by rules and regula-
35 tions which penalty shall progress to ineligibility for the family after three
36 months of noncooperation.

37 (k) By applying for or receiving child care benefits or food stamps,
38 the applicant or recipient shall be deemed to have assigned, pursuant to
39 K.S.A. 39-756 and amendments thereto, to the secretary on behalf of the
40 state only accrued, present or future rights to support from any other
41 person such applicant may have in such person's own behalf or in behalf
42 of any other family member for whom the applicant is applying for or
43 receiving aid. The assignment of support rights shall automatically be-

1 come effective upon the date of approval for or receipt of such aid without
2 the requirement that any document be signed by the applicant or recip-
3 ient. By applying for or receiving child care benefits or food stamps, the
4 applicant or recipient is also deemed to have appointed the secretary, or
5 the secretary's designee, as an attorney in fact to perform the specific act
6 of negotiating and endorsing all drafts, checks, money orders or other
7 negotiable instruments representing support payments received by the
8 secretary in behalf of any person applying for, receiving or having received
9 such assistance. This limited power of attorney shall be effective from the
10 date the secretary approves the application for aid and shall remain in
11 effect until the assignment of support rights has been terminated in full.
12 An applicant or recipient who has assigned support rights to the secretary
13 pursuant to this subsection shall cooperate in establishing and enforcing
14 support obligations to the same extent required of applicants for or re-
15 cipients of aid to families with dependent children.

16 Sec. 2. K.S.A. 39-709 is hereby repealed.

17 Sec. 3. This act shall take effect and be in force from and after its
18 publication in the statute book.