

SENATE BILL No. 238

By Senators Brownlee, Haley, Ostmeyer, Vratil and Wysong

2-9

9 AN ACT concerning the department on aging; relating to the senior serv-
10 ices fund; creating the health care for seniors fund; disposition of cer-
11 tain additional tobacco litigation settlement proceeds; prescribing cer-
12 tain powers, duties and functions for the secretary of aging; amending
13 K.S.A. 38-2101 and repealing the existing section.
14

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

16 New Section 1. (a) There is hereby established in the state treasury
17 the health care for seniors fund which shall be administered by the sec-
18 retary of aging as provided by law.

19 (b) All moneys credited to the health care for seniors fund shall be
20 used for additional funding for health care programs, assistance and serv-
21 ices for seniors. Moneys allocated or appropriated from the health care
22 for seniors fund shall not be used to replace or substitute for moneys
23 appropriated from the state general fund in the immediately preceding
24 fiscal year. All expenditures from the health care for seniors fund shall be
25 made in accordance with appropriation acts upon warrants of the director
26 of accounts and reports issued pursuant to vouchers approved by the
27 secretary of aging or the secretary's designee.

28 (c) On or before the 10th day of each month, the director of accounts
29 and reports shall transfer from the state general fund to the health care
30 for seniors fund interest earnings based on (1) the average daily balance
31 of moneys in the health care for seniors fund and (2) the net earnings
32 rate of the pooled money investment portfolio for the preceding month.

33 (d) As used in this section, "senior" means an individual who resides
34 in Kansas, who is 60 years of age or older and who is in need of health
35 care.

36 New Sec. 2. (a) On and after July 1, 2005, all additional tobacco lit-
37 igation settlement moneys shall be remitted to the state treasurer in ac-
38 cordance with the provisions of K.S.A. 75-4215, and amendments thereto.
39 Upon receipt of each such remittance, the state treasurer shall deposit
40 the entire amount in the state treasury and 50% of each such remittance
41 of additional tobacco litigation settlement moneys shall be credited to the
42 health care for seniors fund established by section 1, and amendments
43 thereto, and 50% of each such remittance of additional tobacco litigation

1 settlement moneys shall be credited to the senior services fund estab-
2 lished by subsection (g) of K.S.A. 75-4265, and amendments thereto.

3 (b) As used in this section, “additional tobacco litigation settlement
4 moneys” means all moneys received by the state pursuant to the tobacco
5 litigation settlement agreements entered into by the attorney general on
6 behalf of the state of Kansas, or pursuant to any judgment rendered,
7 regarding the litigation against tobacco industry companies and related
8 entities that are attributable to payments by tobacco industry companies
9 that first became participating manufacturers, as that term is defined in
10 section II(jj) of the master settlement agreement, after June 30, 2004,
11 and “master settlement agreement” has the meaning ascribed thereto in
12 K.S.A. 50-6a02, and amendments thereto.

13 Sec. 3. K.S.A. 38-2101 is hereby amended to read as follows: 38-
14 2101. (a) There is hereby established in the state treasury the Kansas
15 endowment for youth fund which shall constitute a trust fund and shall
16 be invested, managed and administered in accordance with the provisions
17 of this act by the board of trustees of the Kansas public employees re-
18 tirement system established by K.S.A. 74-4905 and amendments thereto.

19 (b) All of the moneys received *during each fiscal year* by the state
20 pursuant to the tobacco litigation settlement agreements entered into by
21 the attorney general on behalf of the state of Kansas, or pursuant to any
22 judgment rendered, regarding the litigation against tobacco industry com-
23 panies and related entities, shall be ~~deposited~~ *remitted to the state trea-*
24 *surer in accordance with the provisions of K.S.A. 75-4215, and amend-*
25 *ments thereto. Upon receipt of each such remittance, the state treasurer*
26 *shall deposit the entire amount in the state treasury and. The amount of*
27 *moneys in each such deposit that are additional tobacco litigation settle-*
28 *ment moneys, as defined in section 2, and amendments thereto, shall be*
29 *credited to the health care for seniors fund and the senior services fund*
30 *as prescribed by section 2, and amendments thereto, and the remaining*
31 *moneys in each such deposit shall be credited to the Kansas endowment*
32 *for youth fund. All such moneys credited to the Kansas endowment for*
33 *youth fund shall constitute an endowment which shall remain credited to*
34 *the Kansas endowment for youth fund except as provided in this section*
35 *or in K.S.A. 38-2102 and amendments thereto for transfers to the chil-*
36 *dren’s initiatives fund. Expenditures may be made from the Kansas en-*
37 *dowment for youth fund for the payment of the operating expenses of*
38 *the Kansas children’s cabinet and the board of trustees, including the*
39 *expenses of investing and managing the moneys, which are attributable*
40 *to the Kansas endowment for youth fund. All moneys credited to the*
41 *Kansas endowment for youth fund shall be invested to provide an ongoing*
42 *source of investment earnings available for periodic transfer to the chil-*
43 *dren’s initiatives fund in accordance with this act. All expenditures from*

1 the Kansas endowment for youth fund shall be made in accordance with
2 appropriation acts upon warrants of the director of accounts and reports
3 issued pursuant to vouchers approved by the chairperson of the board of
4 trustees of the Kansas public employees retirement system or by the
5 chairperson's designee.

6 (c) On the effective date of this act, the director of accounts and
7 reports shall transfer all moneys credited to the children's health care
8 programs fund to the Kansas endowment for youth fund and the chil-
9 dren's health care programs fund is hereby abolished. On and after July
10 1, 1999, whenever the children's health care programs fund, or words of
11 like effect, is referred to or designated by statute, contract or other doc-
12 ument, such reference or designation shall be deemed to apply to the
13 Kansas endowment for youth fund.

14 Sec. 4. K.S.A. 38-2101 is hereby repealed.

15 Sec. 5. This act shall take effect and be in force from and after its
16 publication in the statute book.