

**75-7433. Association assistance plan; association assistance plan fund.** (a) The secretary of health and environment is hereby authorized to make grants or no interest loans for the purpose of financing the initial costs associated with the forming and organizing of associations to assist members of the association to obtain access to quality and affordable health care plans. Such grants or loans may be used to pay for actuarial or feasibility studies.

(b) Such grants and loans shall be made upon such terms and conditions as the secretary of health and environment may deem appropriate, except that: (1) Such loans shall be made interest free and with recourse, and (2) the association shall provide a match for such grant or loan. Such grants and loans shall be made from funds credited to the association assistance plan fund.

(c) There is hereby established in the state treasury the association assistance plan fund. The secretary of health and environment shall administer such fund and expenditures from the association assistance plan fund for the purpose of providing grants and no interest loans in accordance with this section. All expenditures from the association assistance plan fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of health and environment or the designee of the secretary.

(d) On July 1, 2007, the director of accounts and reports shall transfer \$500,000 from the state general fund to the association assistance plan fund.

(e) On or before the 10th day of each month, the director of accounts and reports shall transfer from the state general fund to the association assistance plan fund interest earnings based on:

(1) The average daily balance of moneys in the association assistance plan fund for the preceding month; and

(2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(f) For the purpose of this section:

(1) "Association" means a small business or an organization of persons having a common interest; and

(2) "small business" means any business that employs 50 or less employees.

(g) The secretary of health and environment may adopt rules and regulations to implement the provisions of this section.

(h) Any health care plans offered through any association funded in whole or in part with grants or loans pursuant to this section shall be underwritten by an insurance company or health maintenance organization that holds a valid Kansas certificate of authority as verified by the commissioner of insurance and any such association shall be subject to the provisions of K.S.A. 40-2209, 40-2209a through 40-2209p and 40-2222, and amendments thereto.

**History:** L. 2007, ch. 177, § 14; L. 2008, ch. 164, § 17; L. 2012, ch. 102, § 52; July 1.