Session of 2021

## SENATE BILL No. 287

By Committee on Federal and State Affairs

3-5

1	AN ACT concerning health and healthcare; enacting the Kansas medical
2	marijuana regulation act; relating to medical cannabis; providing for the
3	licensure and regulation of medical cannabis, including the
4	manufacture, transportation and sale of medical cannabis; providing
5	certain fines and penalties for violations of the act; relating to health
6	benefits coverage; expanding medical assistance eligibility; directing
7	the department of health and environment to study certain medicaid
8	expansion topics; adding meeting days to the Robert G. (Bob) Bethell
9	joint committee on home and community based services and KanCare
10	oversight to monitor implementation; making and concerning
11	appropriations for the fiscal years ending June 30, 2021, June 30, 2022,
12	and June 30, 2023; amending K.S.A. 65-28b08, 79-5201 and 79-5210
13	and K.S.A. 2020 Supp. 21-5703, 21-5705, 21-5706, 21-5707, 21-5709,
14	21-5710, 23-3203, 38-2269, 39-7,160, 40-3213, 44-501, 44-706, 44-
15	1009, 44-1015 and 65-1120 and repealing the existing sections.
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17	Be it enacted by the Legislature of the State of Kansas:
18	New Section 1. (a) The provisions of sections 1 through 47, and
19	amendments thereto, shall be known and may be cited as the Kansas
20	medical marijuana regulation act.
21	(b) This section shall take effect on and after July 1, 2023.
22	New Sec. 2. (a) As used in this act:
23	(1) "Act" means the Kansas medical marijuana regulation act.
24	(2) "Academic medical center" means a medical school and its
25	affiliated teaching hospitals and clinics.
26	(3) "Associated employee" means an owner or prospective owner,
27	officer or board member or prospective board member of an entity seeking
28	a retail dispensary license.
29	(4) "Board of healing arts" means the state board of healing arts.
30	(5) "Caregiver" means a person registered pursuant to section 8, and
31	amendments thereto, who may purchase and possess medical marijuana in
32	accordance with section 11, and amendments thereto.
33	(6) "Cultivator" means a person licensed pursuant to section 20, and
34	amendments thereto, who may grow and sell medical marijuana in
35	accordance with section 21, and amendments thereto.
36	(7) "Disqualifying offense" means a criminal offense, the conviction

of which renders such person unfit for registration or licensure under this
 act.

3 (8) "Distributor" means a person licensed pursuant to section 20, and 4 amendments thereto, who may purchase and sell medical marijuana in 5 accordance with section 23, and amendments thereto.

6 (9) "Electronic cigarette" means the same as defined in K.S.A. 79-7 3301, and amendments thereto.

8 (10) "Key employee" means a manager or other person responsible 9 for the daily operation of a licensed retail dispensary.

10 (11) "Marijuana" means the same as defined in K.S.A. 65-4101, and 11 amendments thereto.

(12) "Medical marijuana" means marijuana that is cultivated,processed, tested, dispensed, possessed or used for a medical purpose.

14 (13) "Owned and controlled" means ownership of at least 51% of the 15 business, including corporate stock if a corporation, control over the 16 management and day-to-day operations of the business and an interest in 17 the capital, assets and profits and losses of the business proportionate to 18 such owner's percentage of ownership.

(14) "Patient" means a person registered pursuant to section 8, and
amendments thereto, who may purchase and possess medical marijuana in
accordance with section 10, and amendments thereto.

(15) "Postsecondary educational institution" means the same asdefined in K.S.A. 74-3201b, and amendments thereto.

(16) "Processor" means a person licensed pursuant to section 20, and
amendments thereto, who may purchase, process and sell medical
marijuana in accordance with section 22, and amendments thereto.

(17) "Physician" means a person licensed to practice medicine and
surgery in this state and who is certified by the board of healing arts to
recommend treatment with medical marijuana pursuant to section 17, and
amendments thereto.

(18) "Qualifying medical condition" means any of the following:

32 (A) Acquired immune deficiency syndrome;

33 (B) Alzheimer's disease;

34 (C) amyotrophic lateral sclerosis;

35 (D) cancer;

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- 36 (E) chronic traumatic encephalopathy;
- 37 (F) Crohn's disease;
- 38 (G) epilepsy or another seizure disorder;
- 39 (H) fibromyalgia;
- 40 (I) glaucoma;
- 41 (J) hepatitis C;
- 42 (K) inflammatory bowel disease;
- 43 (L) multiple sclerosis;

- 1 (M) pain that is either chronic and severe or intractable;
- 2 (N) Parkinson's disease;
- 3 (O) positive status for HIV;
- 4 (P) post-traumatic stress disorder;
- 5 (Q) sickle cell anemia;
- 6 (R) spinal cord disease or injury;
- 7 (S) Tourette's syndrome;
- 8 (T) traumatic brain injury;
- 9 (U) ulcerative colitis; or

10 (V) any other disease or condition approved by the secretary of health 11 and environment pursuant to section 19, and amendments thereto.

(18) "Retail dispensary" means a person licensed pursuant to section
25, and amendments thereto, who may purchase and sell medical
marijuana in accordance with section 26, and amendments thereto.

(19) "Smoking" means the use of a lighted cigarette, cigar or pipe or
 otherwise burning marijuana in any other form for the purpose of
 consuming such marijuana.

18 (20) "Support employee" means a person employed by a licensed 19 retail dispensary who does not have authority to make operational 20 decisions.

(21) "Vaporization" means the use of an electronic cigarette for thepurpose of consuming marijuana.

(22) "Veteran" means a person who has been separated from the
army, navy, marine corps, air force, coast guard, air or army national guard
or any branch of the military reserves of the United States and was
honorably discharged or received a general discharge under honorable
conditions.

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(b) This section shall take effect on and after July 1, 2023.

New Sec. 3. (a) No person shall grow, harvest, process, sell, barter, transport, deliver, furnish or otherwise possess any form of marijuana, except as specifically provided in the Kansas medical marijuana regulation act or the commercial industrial hemp act, K.S.A. 2020 Supp. 2-3901 et seq., and amendments thereto.

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(b) Nothing in this act shall be construed to:

(1) Require a physician to recommend that a patient use medicalmarijuana to treat a qualifying medical condition;

37 (2) permit the use, possession or administration of medical marijuana38 other than as authorized by this act;

39 (3) permit the use, possession or administration of medical marijuana40 on federal land located in this state;

41 (4) require any public place to accommodate a registered patient's use42 of medical marijuana;

43 (5) prohibit any public place from accommodating a registered

1 patient's use of medical marijuana; or

(6) restrict research related to marijuana conducted at a postsecondary
educational institution, academic medical center or private research and
development organization as part of a research protocol approved by an
institutional review board or equivalent entity.

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(c) This section shall take effect on and after July 1, 2023.

7 New Sec. 4. (a) There is hereby established a Kansas medical 8 marijuana regulation program.

9 (b) The secretary of health and environment shall administer the 10 program in accordance with the provisions of this act and provide for the 11 registration of patients and caregivers, including the issuance of 12 identification cards to registered patients and caregivers.

(c) The director of alcoholic beverage control shall administer the
 program in accordance with the provisions of this act and provide for the
 licensure of cultivators, laboratories, processors, distributors and retail
 dispensaries.

(d) This section shall take effect on and after July 1, 2023.

New Sec. 5. (a) The medical marijuana advisory committee is hereby
 created in the department of health and environment. The committee shall
 consist of the following:

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(1) Eight members appointed by the governor as follows:

(A) Two members who hold a medical cannabis industry license
 issued by the division of alcoholic beverage control, as least one of whom
 is a licensed cultivator;

(B) two members who are practicing physicians, at least one of
 whom is certified by the board of healing arts to prescribe medical
 marijuana;

(C) one member who is a practicing pharmacist licensed by the stateboard of pharmacy;

30 (D) one member who is a nurse or nurse practitioner with experience 31 in palliative or hospice care licensed by the state board of nursing;

(E) one member who represents law enforcement; and

(F) one member who engages in academic research on the use orregulation of medical marijuana;

(2) one member who is a master's addiction counselor or clinical
addiction counselor licensed by the behavioral sciences regulatory board,
appointed by the president of the senate;

38 (3) one member who is a registered caregiver, appointed by the39 minority leader of the senate;

40 (4) one member who is a master social worker, specialist clinical
41 social worker, master's addiction counselor, clinical addiction counselor,
42 master's level psychologist, clinical psychotherapist, professional
43 counselor or clinical professional counselor, licensed by the behavioral

1 sciences regulatory board, appointed by the speaker of the house of 2 representatives;

3 (5) one member who is a registered patient, appointed by the minority 4 leader of the house of representatives; and

5 (6) the secretary of health and environment, or the secretary's 6 designee, who shall serve as chairperson.

7 (b) The initial appointments to the committee shall be made on or 8 before July 31, 2021.

9 (c) Except for the secretary of health and environment, each member 10 of the committee shall serve from the date of appointment until the 11 committee ceases to exist, except that members shall serve at the pleasure 12 of the appointing authority. A vacancy shall be filled in the same manner 13 as the original appointment.

(d) Each member of the committee shall be paid compensation,
subsistence allowances, mileage and other expenses as provided in K.S.A.
75-3223(e), and amendments thereto.

17 (e) The committee shall hold its initial meeting not later than 30 days 18 after the last member of the committee is appointed. The committee may 19 develop and submit to the secretary of health and environment and the 20 director of alcoholic beverage control any recommendations related to the 21 Kansas medical marijuana regulation program and the implementation and 22 enforcement of this act.

(f) The medical marijuana advisory committee shall develop policies
and procedures for the review, approval and denial of petitions for
approval of a qualifying medical condition submitted pursuant to section
19, and amendments thereto.

(g) The medical marijuana advisory committee shall make recommendations to the secretary of health and environment and the director of alcoholic beverage control regarding those offenses that would disqualify an applicant from registration or licensure by the respective state agency. The committee shall annually review such offenses and make any subsequent recommendations the committee deems necessary.

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(h) The provisions of this section shall expire on July 1, 2026.

New Sec. 6. (a) Except as permitted under subsection (c), the following individuals shall not solicit or accept, directly or indirectly, any gift, gratuity, emolument or employment from any person who is an applicant for any license or is a licensee under the provisions of the Kansas medical marijuana regulation act or any officer, agent or employee thereof, or solicit requests from or recommend, directly or indirectly, to any such person the appointment of any individual to any place or position:

(1) The secretary of health and environment or any officer, employeeor agent of the department of health and environment;

43 (2) the secretary of revenue, the director of alcoholic beverage control

1 or any officer, employee or agent of the division of alcoholic beverage 2 control; or

(3) any member of the board of healing arts.

4 (b) Except as permitted under subsection (c), an applicant for a
5 license or a licensee under the provisions of this act shall not offer any gift,
6 gratuity, emolument or employment to any of the following:

7 (1) The secretary of health and environment or any officer, employee 8 or agent of the department of health and environment;

9 (2) the secretary of revenue, the director of alcoholic beverage control 10 or any officer, employee or agent of the division of alcoholic beverage 11 control; or

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(3) any member of the board of healing arts.

13 (c) The board of healing arts and the secretaries of health and 14 environment and revenue may adopt rules and regulations for their 15 respective agencies allowing the acceptance of official hospitality by 16 members of the board of healing arts or the secretary and employees of 17 each such respective agency, subject to any limits as prescribed by such 18 rules and regulations.

(d) If any member of the board of healing arts, the secretary of health
and environment, the secretary of revenue or any employee of each such
respective agency violates any provision of this section, such person shall
be removed from such person's office or employment.

(e) Violation of any provision of this section is a misdemeanor
punishable by a fine of not to exceed \$500 or imprisonment of not less
than 60 days nor more than six months, or both such fine and
imprisonment.

(f) Nothing in this section shall be construed to prohibit the
prosecution and punishment of any person for bribery as defined in the
Kansas criminal code.

(g) This section shall take effect on and after July 1, 2023.

New Sec. 7. (a) All actions taken by the board of healing arts, the secretary of health and environment or the director of alcoholic beverage control under the Kansas medical marijuana regulation act shall be in accordance with the Kansas administrative procedure act and reviewable in accordance with the Kansas judicial review act.

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(b) This section shall take effect on and after July 1, 2023.

New Sec. 8. (a) A patient seeking to use medical marijuana or a caregiver seeking to assist a patient in the use or administration of medical marijuana shall apply to the department of health and environment for registration. The physician who is treating the patient, or such physician's designee, shall submit the application on the patient's or caregiver's behalf in such form and manner as prescribed by the secretary of health and environment. (b) The application for registration shall include the following:

(1) A statement from the physician certifying that:

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3 (A) A bona fide physician-patient relationship exists between the 4 physician and patient;

5 (B) the patient has been diagnosed with a qualifying medical 6 condition;

7 (C) the physician, or such physician's designee, has requested from 8 the prescription monitoring program database a report of information 9 related to the patient that covers at least the 12 months immediately 10 preceding the date of the report;

11 (D) the physician has informed the patient of the risks and benefits of 12 medical marijuana as it pertains to the patient's qualifying medical 13 condition and medical history; and

14 (E) the physician has informed the patient that it is the physician's 15 opinion that the benefits of medical marijuana outweigh its risks;

16 (2) in the case of an application submitted on behalf of a patient, the 17 name or names of one or more caregivers, if any, who will assist the 18 patient in the use or administration of medical marijuana;

(3) in the case of an application submitted on behalf of a caregiver,
the name of the patient or patients whom the caregiver seeks to assist in
the use or administration of medical marijuana; and

(4) in the case of a patient who is a minor, the name of the patient's
parent or legal guardian who has consented to such patient's treatment with
medical marijuana and who shall be designated as the patient's caregiver.

(c) If the application is complete and meets the requirements of this act and rules and regulations adopted thereunder and the patient or caregiver has paid the required fee, the secretary of health and environment shall register the patient or caregiver and issue to the patient or caregiver an identification card.

(d) (1) A registered caregiver shall be at least 21 years of age, unless
the caregiver is the parent or legal guardian of a patient who is a minor,
then the registered caregiver shall be at least 18 years of age.

(2) A registered patient may designate up to two registered
caregivers. If the patient is a minor, a parent or legal guardian of such
patient shall be designated as a registered caregiver for such patient.

36 (3) A registered caregiver may provide assistance to not more than
 37 two registered patients, unless the secretary approves a higher number of
 38 registered patients.

39 (4) A physician who submits an application on behalf of a patient40 may not serve as such patient's registered caregiver.

41 (e) Any information collected by the department of health and
42 environment pursuant to this section is confidential and not a public
43 record. The department may share information identifying a specific

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patient with a licensed retail dispensary or any law enforcement agency for
 the purpose of confirming that such patient has a valid registration.
 Information that does not identify a person may be released in summary,
 statistical or aggregate form. The provisions of this subsection shall expire
 on July 1, 2026, unless the legislature reviews and reenacts such
 provisions in accordance with K.S.A. 45-229, and amendments thereto,
 prior to July 1, 2026.

8 (f) The fees for a patient or caregiver registration, or the renewal 9 thereof, shall be set by rules and regulations adopted by the secretary of 10 health and environment in an amount not to exceed:

(1) Except as specified in paragraph (2), \$50 for a patient registration;

(2) \$25 for a patient registration if the patient is indigent or is aveteran; and

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(3) \$25 for a caregiver registration.

15 (g) A registration shall be valid for a period of one year from the 16 effective date and may be renewed by submitting a registration renewal 17 application and paying the required fee.

(h) This section shall take effect on and after July 1, 2023.

New Sec. 9. (a) The department of health and environment shall assign a unique identification number to each registered patient and caregiver when issuing an identification card. Licensed retail dispensaries may request verification by the department that a patient or caregiver has a valid registration.

(b) This section shall take effect on and after July 1, 2023.

New Sec. 10. (a) A patient registered pursuant to section 8, and amendments thereto, who obtains medical marijuana from a licensed retail dispensary may:

28 (1) Use medical marijuana;

(2) subject to subsection (b), possess medical marijuana; and

(3) possess any paraphernalia or accessories as specified in rules and
 regulations adopted by the secretary of health and environment.

32 (b) A registered patient may possess medical marijuana in an amount33 not to exceed a 90-day supply.

(c) Nothing in this section shall be construed to authorize a registered
 patient to operate a motor vehicle, watercraft or aircraft while under the
 influence of medical marijuana.

(d) This section shall take effect on and after July 1, 2023.

New Sec. 11. (a) A caregiver registered pursuant to section 8, and
 amendments thereto, who obtains medical marijuana from a licensed retail
 dispensary may:

41 (1) Subject to subsection (b), possess medical marijuana on behalf of 42 a registered patient under the caregiver's care;

43 (2) assist a registered patient under the caregiver's care in the use or

1 administration of medical marijuana; and

2 (3) possess any paraphernalia or accessories as specified in rules and 3 regulations adopted by the secretary of health and environment.

4 (b) A registered caregiver may possess medical marijuana on behalf 5 of a registered patient in an amount not to exceed a 90-day supply. If a 6 caregiver provides care to more than one registered patient, the caregiver 7 shall maintain separate inventories of medical marijuana for each patient.

8 (c) Nothing in this section shall be construed to permit a registered 9 caregiver to personally use medical marijuana unless the caregiver is also a 10 registered patient.

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(d) This section shall take effect on and after July 1, 2023.

New Sec. 12. (a) In addition to or in lieu of any other civil or criminal penalty as provided by law, the secretary of health and environment may impose a civil penalty or suspend or revoke a registration upon a finding that the patient or caregiver committed a violation as provided in this section.

(b) Nothing in this act shall be construed to require the secretary to
enforce minor violations if the secretary determines that the public interest
is adequately served by a notice or warning to the alleged offender.

(c) Upon a finding that a registrant has submitted fraudulent
information or otherwise falsified or misrepresented information required
to be submitted by such registrant, the secretary may impose a civil fine of
not to exceed \$500 for a first offense and may suspend or revoke the
individual's registration for a second or subsequent offense.

25 (d) If the secretary suspends, revokes or refuses to renew any registration issued pursuant to this act and determines that there is clear 26 27 and convincing evidence of a danger of immediate and serious harm to any 28 person, the secretary may place under seal all medical marijuana owned by 29 or in the possession, custody or control of the affected registrant. Except as 30 provided in this section, the secretary shall not dispose of the sealed 31 medical marijuana until a final order is issued authorizing such disposition. 32 During the pendency of an appeal from any order issued by the secretary, a 33 court may order the secretary to sell medical marijuana that is perishable, 34 and the proceeds of any such sale shall be deposited with the court.

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(e) This section shall take effect on and after July 1, 2023.

36 New Sec. 13. (a) There is hereby established the medical marijuana 37 registration fund in the state treasury. The secretary of health and 38 environment shall administer the medical marijuana registration fund and 39 shall remit all moneys collected from the payment of all fees and fines 40 imposed by the secretary pursuant to the Kansas medical marijuana 41 regulation act and any other moneys received by or on behalf of the 42 secretary pursuant to such act to the state treasurer in accordance with the 43 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in

2 the state treasury to the credit of the medical marijuana registration fund.
3 Moneys credited to the medical marijuana registration fund shall only be
4 expended or transferred as provided in this section. Expenditures from
5 such fund shall be made in accordance with appropriation acts upon
6 warrants of the director of accounts and reports issued pursuant to
7 vouchers approved by the secretary or the secretary's designee.

8 (b) Moneys in the medical marijuana registration fund shall be used 9 for the payment or reimbursement of costs related to the regulation and 10 enforcement of the possession and use of medical marijuana by the 11 secretary.

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(c) This section shall take effect on and after July 1, 2023.

New Sec. 14. (a) On or before July 1, 2023, the secretary of health and environment shall adopt rules and regulations to administer the Kansas medical marijuana regulation program and implement and enforce the provisions of the Kansas medical marijuana regulation act. Such rules and regulations shall:

18 (1) Establish procedures for registration of patients and caregivers19 and eligibility requirements for registration;

20 (2) establish procedures for the issuance of patient or caregiver 21 identification cards;

(3) establish a renewal schedule, renewal procedures and renewalfees for registrations;

(4) specify, by form and tetrahydrocannabinol content, a maximum
90-day supply of medical marijuana that may be possessed;

(5) specify the paraphernalia or other accessories that may be used in
the administration to a registered patient pursuant to section 8, and
amendments thereto;

29 (6) specify the forms or methods of using medical marijuana that are30 attractive to children;

(7) establish procedures for reviewing, approving and denying
 petitions for approval of new forms or methods of using medical
 marijuana;

(8) establish a program to assist in obtaining medical marijuana forpatients who are indigent or who are veterans; and

(9) establish procedures for reviewing, approving and denying a
petition for approval of a qualifying medical condition submitted pursuant
to section 19, and amendments thereto.

(b) When adopting rules and regulations under this section, the
 secretary shall consider standards and procedures that have been found to
 be best practices relative to the use and regulation of medical marijuana.

42 New Sec. 15. On or before July 1, 2023, the department of health and 43 environment shall make a website available for the public to access

information regarding patient and caregiver registration under the Kansas
 medical marijuana regulation act.

New Sec. 16. (a) The secretary of health and environment shall negotiate in good faith to enter into a reciprocity agreement with any other state under which a medical marijuana registry identification card or equivalent authorization issued by the other state is recognized in this state. A reciprocity agreement may be entered into only if the secretary determines that the following apply:

9 (1) The eligibility requirements imposed by the other state for authorization to purchase, possess and use medical marijuana are substantially comparable to the eligibility requirements for a patient or caregiver registration and identification card issued under section 8, and amendments thereto; and

14 (2) the other state recognizes a patient or caregiver registration and 15 identification card issued under section 8, and amendments thereto.

(b) If a reciprocity agreement is entered into in accordance with this section, the authorization issued by the other state shall be recognized in this state, shall be accepted and valid in this state and shall grant the patient or caregiver the same right to use, possess, obtain or administer medical marijuana in this state as a patient or caregiver issued a registration and identification card under section 8, and amendments thereto.

(c) This section shall take effect on and after July 1, 2023.

New Sec. 17. (a) Except as provided in subsection (j), a physician seeking to recommend treatment with medical marijuana shall apply to the board of healing arts for a certificate authorizing such physician to recommend treatment with medical marijuana. The application shall be submitted in such form and manner as prescribed by the board. The board shall grant a certificate to recommend if the following conditions are satisfied:

(1) The application is complete and meets the requirements
established in rules and regulations adopted by the board of healing arts;
and

(2) the applicant demonstrates that the applicant does not have an ownership or investment interest in or compensation arrangement with an entity licensed by the department of health and environment or the director of alcoholic beverage control under this act and is not an applicant for such licensure.

(b) A certificate to recommend shall be renewed when the holder's
license to practice medicine and surgery is renewed, conditioned upon the
holder's certification of having met the requirements in subsection (a) and
having completed at least two hours of continuing medical education in
medical marijuana annually in accordance with subsection (g).

1 (c) A physician who holds a certificate to recommend treatment with 2 medical marijuana may recommend that a patient be treated with medical 3 marijuana if:

4 (1) The patient has been diagnosed with a qualifying medical 5 condition;

6 (2) a bona fide physician-patient relationship has existed for a 7 minimum of 12 months, or as otherwise specified by rules and regulations 8 adopted by the board;

9 (3) an in-person physical examination of the patient was performed 10 by the physician; and

(4) the physician, or the physician's designee, has requested from the
prescription monitoring program database a report of information related
to the patient that covers at least the 12 months immediately preceding the
date of the report, and the physician has reviewed such report.

15 (d) In the case of a patient who is a minor, the physician may 16 recommend treatment with medical marijuana only after obtaining the 17 consent of the patient's parent or other person responsible for providing 18 consent to treatment.

19 (e) When issuing a written recommendation to a patient, the 20 physician shall specify any information required by rules and regulations 21 adopted by the board of healing arts. A written recommendation issued to a 22 patient under this section is valid for a period of not more than 90 days. 23 The physician may renew the recommendation for not more than three additional periods of not more than 90 days each. Thereafter, the physician 24 25 may issue another recommendation to the patient only upon a physical 26 examination of the patient.

(f) Each year a physician holding a certificate to recommend treatment with medical marijuana shall submit to the board of healing arts a report that describes the physician's observations regarding the effectiveness of medical marijuana in treating the physician's patients during the year covered by the report. When submitting reports, a physician shall not include any information that identifies or would tend to identify any specific patient.

(g) Annually, each physician who holds a certificate to recommend
 treatment with medical marijuana shall complete at least two hours of
 continuing medical education in the treatment with and use of medical
 marijuana as approved by the board of healing arts.

(h) A physician shall not issue a recommendation for treatment with
 medical marijuana for a family member or the physician's self, or
 personally furnish or otherwise dispense medical marijuana.

41 (i) A physician who holds a certificate to recommend treatment with
42 medical marijuana shall be immune from civil liability, shall not be subject
43 to professional disciplinary action by the board of healing arts and shall

1 not be subject to criminal prosecution for any of the following actions:

2 (1) Advising a patient, patient representative or caregiver about the 3 benefits and risks of medical marijuana to treat a qualifying medical 4 condition;

5 (2) recommending that a patient use medical marijuana to treat or 6 alleviate a qualifying medical condition; and

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(3) monitoring a patient's treatment with medical marijuana.

8 (j) This section shall not apply to a physician who recommends 9 treatment with marijuana or a drug derived from marijuana under any of 10 the following that is approved by an institutional review board or 11 equivalent entity, the United States food and drug administration or the 12 national institutes of health or one of its cooperative groups or centers 13 under the United States department of health and human services:

14 (1) A research protocol;

15 (2) a clinical trial;

16 (3) an investigational new drug application; or

17 (4) an expanded access submission.

(k) This section shall take effect on and after July 1, 2023.

New Sec. 18. (a) On or before July 1, 2023, the board of healing arts
shall adopt rules and regulations to implement and enforce the provisions
of section 17, and amendments thereto. Such rules and regulations shall
include:

(1) The procedures for applying for a certificate to recommendtreatment with medical marijuana;

(2) the conditions for eligibility for a certificate to recommendtreatment with medical marijuana;

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(3) the schedule and procedures for renewing such a certificate;

(4) the reasons for which a certificate may be denied, suspended orrevoked;

(5) the standards under which a certificate suspension may be lifted;and

(6) the minimum standards of care when recommending treatmentwith medical marijuana.

(b) The board of healing arts shall approve one or more continuing
medical education courses of study that assist physicians holding
certificates to recommend treatment with medical marijuana in diagnosing
and treating qualifying medical conditions with medical marijuana.

New Sec. 19. (a) Any person may submit a petition to the medical marijuana advisory committee requesting that a disease or condition be added as a qualifying medical condition for the purposes of this act. The petition shall be submitted in such form and manner as prescribed by the secretary of health and environment. A petition shall not seek to add a broad category of diseases or conditions, but shall be limited to one 1 disease or condition and shall include a description of such disease or 2 condition.

3 (b) Upon receipt of a petition, the committee shall review such 4 petition to determine whether to recommend the approval or denial of the 5 disease or condition described in the petition as an addition to the list of 6 qualifying medical conditions. The committee may consolidate the review 7 of petitions for the same or similar diseases or conditions. In making its 8 determination, the committee shall:

9 (1) Consult with one or more experts who specialize in the study of 10 the disease or condition;

(2) review any relevant medical or scientific evidence pertaining tothe disease or condition;

(3) consider whether conventional medical therapies are insufficientto treat or alleviate the disease or condition;

(4) review evidence supporting the use of medical marijuana to treator alleviate the disease or condition; and

(5) review any letters of support provided by physicians with
knowledge of the disease or condition, including any letter provided by a
physician treating the petitioner.

(c) Upon completion of its review, the committee shall make a recommendation to the secretary of health and environment whether to approve or deny the addition of the disease or condition to the list of qualifying medical conditions. The secretary shall adopt rules and regulations in accordance with the recommendation of the committee.

(d) This section shall take effect on and after July 1, 2023.

New Sec. 20. (a) Any entity that seeks to cultivate, process or distribute medical marijuana or to conduct laboratory testing of medical marijuana shall submit an application for the appropriate license to the director of alcoholic beverage control in such form and manner as prescribed by the director. A separate license application shall be submitted for each location to be operated by the licensee.

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(b) The director shall issue a license to an applicant if:

(1) The criminal history record check conducted pursuant to section
 37, and amendments thereto, with respect to the applicant demonstrates the
 following:

(A) Subject to subparagraph (B), that the individual subject to the
criminal history record check requirement has not been convicted of or
pleaded guilty to any of the disqualifying offenses as specified in rules and
regulations adopted by the secretary; or

40 (B) that the disqualifying offense such individual was convicted of or 41 pleaded guilty to is one of the offenses specified in rules and regulations as 42 one that will not disqualify the applicant if the applicant was convicted of 43 or pleaded guilty to the offense more than five years prior to the date the 1 application for licensure is submitted;

(2) the applicant is not applying for a laboratory license and
demonstrates that the applicant does not have an ownership or investment
interest in or compensation arrangement with a laboratory licensed under
this section and is not an applicant for such license;

6 (3) the applicant is not applying for a laboratory license and 7 demonstrates that it does not share any corporate officers or employees 8 with a laboratory licensed under this section and is not an applicant for 9 such license;

10 (4) the applicant demonstrates that the applicant will not violate the 11 provisions of section 36, and amendments thereto;

(5) the applicant has submitted a tax clearance certificate issued bythe department of revenue; and

(6) the applicant meets all other licensure eligibility conditionsestablished in rules and regulations adopted by the secretary and has paidall required fees.

(c) A license shall be valid for a period of one year from the date such
license is issued and may be renewed by submitting a license renewal
application and paying the required fee.

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(d) A cultivator shall not employ an individual who:

(1) Does not hold a current, valid employee license issued pursuant to
 section 25, and amendments thereto; and

(2) has not completed the training as required by the secretary ofrevenue in rules and regulations.

(e) This section shall take effect on and after July 1, 2023.

New Sec. 21. (a) (1) A level I cultivator licensee may cultivate
medical marijuana in an area that shall not exceed 25,000 square feet and
may deliver or sell medical marijuana to one or more licensed processors.

29 (2) A level II cultivator licensee may cultivate medical marijuana in
30 an area that shall not exceed 3,000 square feet and may deliver or sell
31 medical marijuana to one or more licensed processors.

(b) (1) A licensee may submit an application to the director for approval of an expansion of such licensee's cultivation area. Expansion approval applications shall be submitted in such form and manner as prescribed by the director and shall include an expansion plan that shall include the following:

(A) Specifications for the expansion or alteration that demonstrate
 compliance with all applicable zoning ordinances, building codes and any
 other state and local laws and rules and regulations adopted thereunder;

40 (B) a proposed timeline for completion of the expansion that, if 41 approved, will become a mandatory condition; and

42 (C) a history of compliance with the Kansas medical marijuana 43 regulation act and all rules and regulations adopted thereunder, including a 1 history of enforcement actions and sanctions issued by the director or any 2 law enforcement agency against the licensee.

3 (2) The director shall review all expansion approval applications. In 4 determining whether to approve or deny any application, the director shall 5 consider the population of this state and the number of patients seeking to 6 use medical marijuana. No licensee may submit an application for 7 expansion more than once during any 12-month period.

(3) In no event shall the aggregate area of cultivation of a licensee 8 exceed 75,000 square feet if the licensee holds a level I cultivator license 9 or 9,000 square feet if the licensee holds a level II cultivator license. 10

(c) A licensed cultivator shall not cultivate medical marijuana for 11 personal, family or household use or on any public land. 12

(d) This section shall take effect on and after July 1, 2023.

New Sec. 22. (a) A processor licensee may:

(1) Obtain medical marijuana from one or more licensed cultivators 15 16 or processors;

17 (2) subject to subsection (b), process medical marijuana obtained 18 from one or more licensed cultivators into a form described in section 27, 19 and amendments thereto; and

20 (3) deliver or sell processed medical marijuana to one or more 21 licensed processors or distributors. 22

(b) When processing medical marijuana, a licensed processor shall:

23 (1) Package the medical marijuana in accordance with child-resistant 24 effectiveness standards described in 16 C.F.R. § 1700.15(b) in effect on 25 July 1, 2021;

26 (2) label the medical marijuana packaging with the product's 27 tetrahydrocannabinol and cannabidiol content; and

28 (3) comply with any packaging or labeling requirements established 29 by rules and regulations adopted by the secretary of revenue.

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(c) A processor shall not employ an individual who: 31 (1) Does not hold a current, valid employee license issued pursuant to

32 section 25, and amendments thereto; and

33 (2) has not completed the training as required by the secretary of 34 revenue in rules and regulations.

35 (d) This section shall take effect on and after July 1, 2023.

36 New Sec. 23. (a) A distributor licensee may:

37 (1) Purchase at wholesale medical marijuana from one or more 38 licensed processors;

39 (2) store medical marijuana obtained from one or more licensed 40 processors in a form described in section 27, and amendments thereto; and

41 (3) deliver or sell processed medical marijuana to one or more 42 licensed retail dispensaries.

43 (b) When storing or selling medical marijuana, a licensed distributor

1 shall ensure that such medical marijuana meets the packaging and labeling 2 requirements established by rules and regulations adopted by the secretary 3 of revenue. 4 (c) A distributor shall not employ an individual who: 5 (1) Does not hold a current, valid employee license issued pursuant to 6 section 25, and amendments thereto; and 7 (2) has not completed the training as required by the secretary of 8 revenue in rules and regulations. (d) This section shall take effect on and after July 1, 2023. 9 New Sec. 24. (a) A laboratory licensee may: 10 (1) Obtain medical marijuana from one or more licensed cultivators, 11 processors or retail dispensaries; and 12 (2) conduct medical marijuana testing in accordance with rules and 13 regulations adopted by the secretary of revenue. 14 (b) When testing medical marijuana, a licensed laboratory shall: 15 16 (1) Test the marijuana for potency, homogeneity and contamination; 17 and 18 (2) prepare and submit a report of the test results to the licensee requesting such testing. 19 20 (c) A laboratory shall not employ an individual who: (1) Does not hold a current, valid employee license issued pursuant to 21 22 section 25, and amendments thereto; and 23 (2) has not completed the training as required by the secretary of 24 revenue in rules and regulations. 25 (d) This section shall take effect on and after July 1, 2023. New Sec. 25. (a) Any applicant that seeks to dispense at retail 26 medical marijuana shall submit an application for a retail dispensary 27 28 license in such form and manner as prescribed by the director of alcoholic 29 beverage control. A separate license application shall be submitted for each location to be operated by the licensee. 30 31 (b) The director shall issue a license to an applicant if: 32 (1) The criminal history record check conducted pursuant to section 33 37, and amendments thereto, with respect to the applicant demonstrates the 34 following: 35 (A) Subject to subparagraph (B), that the applicant subject to the 36 criminal history record check requirement has not been convicted of or 37 pleaded guilty to any of the disqualifying offenses as specified in rules and 38 regulations adopted by the secretary of revenue; or 39 (B) that the disqualifying offense such applicant was convicted of or pleaded guilty to is one of the offenses specified in rules and regulations as 40 one that will not disgualify the applicant if the applicant was convicted of 41 or pleaded guilty to the offense more than five years prior to the date the 42 43 application for licensure is submitted;

1 (2) the applicant demonstrates that such applicant does not have an 2 ownership or investment interest in or compensation arrangement with a laboratory licensed under section 20, and amendments thereto, and is not 3 4 an applicant for such license;

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(3) the applicant demonstrates that such applicant does not share any 6 corporate officers or employees with a laboratory licensed under section 7 20, and amendments thereto, and is not an applicant for such license;

8 (4) the applicant demonstrates that such applicant will not violate the 9 provisions of section 36, and amendments thereto;

10 (5) the applicant has submitted a tax clearance certificate issued by the department of revenue; and 11

(6) the applicant meets all other licensure eligibility conditions 12 established in rules and regulations adopted by the secretary and has paid 13 all required fees. 14

(c) Each associated, key and support employee of a licensed retail 15 16 dispensary, cultivator, processor, distributor or laboratory shall submit an 17 application for an employee license for such employee in such form and 18 manner as prescribed by the director. A separate license application shall 19 be submitted for each employee. The director shall issue a license to an 20 applicant if all of the following conditions are met:

21 (1) The criminal history record check conducted pursuant to section 22 37, and amendments thereto, with respect to the applicant demonstrates the 23 following:

24 (A) Subject to subparagraph (B), that the individual subject to the 25 criminal history record check requirement has not been convicted of or pleaded guilty to any of the disqualifying offenses as specified in rules and 26 regulations adopted by the secretary of revenue; or 27

28 (B) that the disgualifying offense such individual was convicted of or 29 pleaded guilty to is one of the offenses specified in rules and regulations as one that will not disgualify the applicant if the applicant was convicted of 30 31 or pleaded guilty to the offense more than five years prior to the date the 32 application for licensure is submitted; and

33 (2) the applicant meets all other licensure eligibility conditions 34 established in rules and regulations adopted by the secretary and has paid 35 all required fees.

36 (d) A license shall be valid for a period of one year from the date such 37 license is issued and may be renewed by submitting a license renewal 38 application and paying the required fee.

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(e) This section shall take effect on and after July 1, 2023.

40 New Sec. 26. (a) A retail dispensary licensee may:

41 (1) Obtain medical marijuana from one or more licensed processors 42 or distributors; and

43 (2) dispense or sell medical marijuana in accordance with subsection

1 (b). 2 (b) When dispensing or selling medical marijuana, a retail dispensary 3 shall. 4 (1) Dispense or sell medical marijuana only to a person who shows a 5 current, valid identification card and only in accordance with a written 6 recommendation issued by a physician; 7 (2) report to the prescription monitoring program database the 8 information required by K.S.A. 65-1683, and amendments thereto; and 9 (3) label the package containing medical marijuana with the following information: 10 (A) The name and address of the licensed processor that produced the 11 12 product and the retail dispensary; (B) the name of the patient and caregiver, if any; 13 (C) the name of the physician who recommended treatment with 14 medical marijuana; 15 (D) the directions for use, if any, as recommended by the physician; 16 17 (E) a health warning as specified in rules and regulations adopted by the secretary of health and environment; 18 (F) the date on which the medical marijuana was dispensed; and 19 (G) the quantity, strength, kind or form of medical marijuana 20 21 contained in the package. (c) A retail dispensary shall employ only those individuals who hold a 22 23 current, valid employee license issued pursuant to section 25, and amendments thereto, and who have completed the training requirements 24 established by rules and regulations adopted by the secretary of revenue. 25 (d) A retail dispensary shall not make public any information it 26 collects that identifies or could identify any specific patient. 27 (e) This section shall take effect on and after July 1, 2023. 28 29 New Sec. 27. (a) Only the following forms of medical marijuana may 30 be dispensed under the Kansas medical marijuana regulation act: 31 (1) Oils; (2) tinctures; 32 (3) plant material;(4) edibles; 33 34 (5) patches; or 35 (6) any other form approved by the secretary of revenue under section 36 37 34, and amendments thereto. 38 (b) The smoking, combustion or vaporization of medical marijuana is 39 prohibited. 40 (c) Any form or method of using medical marijuana that is considered 41 attractive to children is prohibited. 42 (d) Plant material shall have a tetrahydrocannabinol content of not

43 more than 35%.

1 (e) Extracts shall have a tetrahydrocannabinol content of not more 2 than 70%.

3 (f) No form of medical marijuana shall be dispensed from a vending 4 machine or through electronic commerce.

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(g) This section shall take effect on and after July 1, 2023.

6 New Sec. 28. (a) Any person may submit a petition to the director of 7 alcoholic beverage control requesting that a form or method of using 8 medical marijuana be approved for the purposes of section 27, and amendments thereto. The petition shall be submitted in such form and 9 10 manner as prescribed by the director.

(b) Upon receipt of a petition, the director shall review such petition 11 to determine whether to recommend approval of the form or method of 12 using medical marijuana described in the petition. The director may 13 consolidate the review of petitions for the same or similar forms or 14 methods. The director shall consult with the medical marijuana advisory 15 16 committee and review any relevant scientific evidence when reviewing a 17 petition. The director shall recommend to the secretary of revenue whether 18 to approve or deny the proposed form or method of using medical 19 marijuana. The secretary shall approve or deny such proposed form or 20 method. The secretary's decision shall be final.

21 (c) The secretary shall not approve any petition that seeks approval of 22 a form or method of using medical marijuana that involves smoking, 23 combustion or vaporization.

(h) This section shall take effect on and after July 1, 2023.

25 New Sec. 29. (a) The fees for a cultivator license shall be set by rules and regulations adopted by the secretary of revenue in an amount not to 26 27 exceed.

\$20,000 for a level I cultivator license application; (1)(A)

29 (B) \$180,000 for a level I cultivator license: and

(C) \$200,000 for a renewal of a level I cultivator license; and 30 31

\$2,000 for a level II cultivator license application; (2)(A)

32 (B) \$18,000 for a level II cultivator license; and

\$20,000 for a renewal of a level II cultivator license. (C)

34 (b) The fees for a laboratory license shall be set by rules and 35 regulations adopted by the secretary of revenue in an amount not to 36 exceed.

- 37 (1) \$2,000 for a laboratory license application;
- 38 (2) \$18,000 for a laboratory license; and

39 (3) \$20,000 for a renewal of a laboratory license.

40 The fees for a processor license shall be set by rules and (c) regulations adopted by the secretary of revenue in an amount not to 41 42 exceed:

43 (1) \$10,000 for a processor license application;

- 1 (2) \$90,000 for a processor license; and 2
  - (3) \$100,000 for a renewal of a processor license.
- 3 (d) The fees for a distributor license shall be set by rules and 4 regulations adopted by the secretary of revenue in an amount not to 5 exceed.
  - (1) \$10,000 for a distributor license application;
  - (2) \$90,000 for a distributor license; and
  - (3) \$100,000 for a renewal of a distributor license.
- 9 (e) The fees for a retail dispensary license shall be set by rules and 10 regulations adopted by the secretary of revenue in an amount not to 11 exceed.
  - (1) \$5,000 for a retail dispensary license application;
  - (2) \$70,000 for a retail dispensary license and any renewal thereof;
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- (3) \$500 for each associated employee license application; (4) \$250 for each key employee license application; and 15
- 16 (5) \$100 for each support employee license application.
  - (f) This section shall take effect on and after July 1, 2023.
- 18 New Sec. 30. The director of alcoholic beverage control may refuse 19 to issue or renew a license, or may revoke or suspend a license for any of 20 the following reasons:
- 21 (a) The applicant has failed to comply with any provision of the 22 Kansas medical marijuana regulation act or any rules and regulations 23 adopted thereunder:
- 24 (b) the applicant has falsified or misrepresented any information submitted to the director in order to obtain a license; 25
- (c) the applicant has failed to adhere to any acknowledgment, 26 27 verification or other representation made to the director when applying for 28 a license; or
- 29 (d) the applicant has failed to submit or disclose information 30 requested by the director.
  - (e) This section shall take effect on and after July 1, 2023.
- 32 New Sec. 31. (a) In addition to or in lieu of any other civil or criminal 33 penalty as provided by law, the director of alcoholic beverage control may 34 impose a civil penalty or suspend or revoke a license upon a finding that 35 the licensee committed a violation as provided in this section.
- 36 (b) (1) Upon a finding that a licensee has submitted fraudulent 37 information or otherwise falsified or misrepresented information required 38 to be submitted by such licensee, the director may impose a civil fine not 39 to exceed \$5,000 for a first offense and may suspend or revoke such 40 licensee's license for a second or subsequent offense.
- 41 (2) Upon a finding that a licensee has sold, transferred or otherwise 42 distributed medical marijuana in violation of this act, the director may 43 impose a civil fine not to exceed \$5,000 for a first offense and may

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suspend or revoke such licensee's license for a second or subsequent
 offense.

3 (c) If the director suspends, revokes or refuses to renew any license 4 issued pursuant to this act and determines that there is clear and 5 convincing evidence of a danger of immediate and serious harm to any 6 person, the director may place under seal all medical marijuana owned by 7 or in the possession, custody or control of the affected license holder. 8 Except as provided in this section, the director shall not dispose of the 9 sealed medical marijuana until a final order is issued authorizing such 10 disposition. During the pendency of an appeal from any order by the director, a court may order the director to sell medical marijuana that is 11 12 perishable, and the proceeds of any such sale shall be deposited with the 13 court.

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(d) This section shall take effect on and after July 1, 2023.

15 New Sec. 32. (a) There is hereby established the medical marijuana 16 business entity regulation fund in the state treasury. The director of 17 alcoholic beverage control shall administer the medical marijuana business 18 entity regulation fund and shall remit all moneys collected from the 19 payment of all fees and fines imposed by the director pursuant to the 20 Kansas medical marijuana regulation act and any other moneys received 21 by or on behalf of the director pursuant to such act to the state treasurer in 22 accordance with the provisions of K.S.A. 75-4215, and amendments 23 thereto. Upon receipt of each such remittance, the state treasurer shall 24 deposit the entire amount in the state treasury to the credit of the medical 25 marijuana business entity regulation fund. Moneys credited to the medical 26 marijuana business entity regulation fund shall only be expended or 27 transferred as provided in this section. Expenditures from such fund shall 28 be made in accordance with appropriation acts upon warrants of the 29 director of accounts and reports issued pursuant to vouchers approved by 30 the director or the director's designee.

(b) Moneys in the medical marijuana business entity regulation fundshall be used for:

(1) The payment or reimbursement of costs related to the regulation
 and enforcement of the cultivation, possession, processing, testing and sale
 of medical marijuana by the division of alcoholic beverage control; and

36 37 (2) to cover the cost of medicaid expansion.(c) This section shall take effect on and after July 1, 2023.

New Sec. 33. (a) On or before January 1, 2023, the secretary of revenue shall adopt rules and regulations to administer the Kansas medical marijuana regulation program and implement and enforce the provisions of the Kansas medical marijuana regulation act. Such rules and regulations shall:

43 (1) Establish application procedures and fees for licenses issued

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1 under sections 20 and 25, and amendments thereto;

(2) specify the following:

(A) The conditions for eligibility for licensure;

4 (B) subject to subparagraph (C), the criminal convictions that shall 5 disqualify an applicant from licensure; and

6 (C) the criminal convictions that shall not disqualify an applicant 7 from licensure if the applicant was convicted of or pleaded guilty to the 8 offense more than five years prior to the date the application for licensure 9 is filed;

(3) establish the number of licenses that will be permitted at any onetime in accordance with sections 21 through 25, and amendments thereto;

12 (4) establish a license renewal schedule, renewal procedures and 13 renewal fees;

(5) establish standards and procedures for the testing of medicalmarijuana by a licensed laboratory; and

16 (6) establish training requirements for employees of retail 17 dispensaries.

(b) The director shall propose such rules and regulations as necessary
to carry out the intent and purposes of this act. After the public hearing on
a proposed rule and regulation has been held pursuant to the rules and
regulations filing act, the director shall submit the proposed rule and
regulation to the secretary of revenue who, if the secretary approves it,
shall adopt the rule and regulation.

(c) When adopting rules and regulations under this section, the
 secretary shall consider standards and procedures that have been found to
 be best practices relative to the use and regulation of medical marijuana.

New Sec. 34. (a) The director of alcoholic beverage control shall establish and maintain an electronic database to monitor medical marijuana from its seed source through its cultivation, testing, processing, distribution and dispensing. The director may contract with a separate entity to establish and maintain all or any portion of the electronic database on behalf of the division of alcoholic beverage control.

(b) The electronic database shall allow for information regarding
medical marijuana to be updated instantaneously. Any licensed cultivator,
laboratory, processor, distributor or retail dispensary shall submit such
information to the director as the director determines is necessary for
maintaining the electronic database.

(c) The director, any employee of the division, any entity under
contract with the director and any employee or agent thereof shall not
make public any information reported to or collected by the director under
this section that identifies or could identify any specific patient. Such
information shall be kept confidential to protect the privacy of the patient.
The provisions of this subsection shall expire on July 1, 2026, unless the

legislature reviews and reenacts such provisions in accordance with K.S.A.
 45-229, and amendments thereto, prior to July 1, 2026.

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(d) This section shall take effect on and after July 1, 2023.

4 New Sec. 35. (a) The director of alcoholic beverage control may, in 5 cooperation with the state treasurer, establish a closed-loop payment 6 processing system whereby the state treasurer creates accounts to be used 7 only by registered patients and caregivers at licensed retail dispensaries 8 and all licensed cultivators, laboratories, processors and distributors. The 9 system may include record-keeping and accounting functions that identify 10 all parties in transactions involving the purchase and sale of medical marijuana. If established, such system shall be designed to prevent: 11

12 (1) Revenue from the sale of marijuana going to criminal enterprises,13 gangs and cartels;

14 (2) the diversion of marijuana from a state where it is legal in some 15 form under that state's law to another state;

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(3) the distribution of marijuana to minors; and

(4) the use of state-authorized marijuana activity as a cover or pretextfor the trafficking of other illegal drugs or for other illegal activity.

(b) The information recorded by the system shall be fully accessible
to the department of health and environment, the director and all state and
federal law enforcement agencies, including the United States department
of the treasury's financial crimes enforcement network.

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(c) This section shall take effect on and after July 1, 2023.

24 New Sec. 36. (a) Except as provided in subsections (b) and (c), no 25 licensed cultivator, laboratory, processor, distributor or retail dispensary shall be located within 1,000 feet of the boundaries of a parcel of real 26 27 estate having situated on it a school, religious organization, public library 28 or public park. If the relocation of a licensed cultivator, laboratory, processor, distributor or retail dispensary results in such licensee being 29 located within 1,000 feet of the boundaries of a parcel of real estate having 30 31 situated on it a school, religious organization, public library or public park, 32 the director shall revoke the license such agency previously issued to such 33 cultivator, laboratory, processor, distributor or retail dispensary.

(b) In the director's discretion, the director may not revoke the license
of a cultivator, laboratory, processor, distributor or retail dispensary if such
licensee existed at a location prior to the establishment of a school,
religious organization, public library or public park within 1,000 feet of
such licensee.

(c) This section shall not apply to research related to marijuana
conducted at a postsecondary educational institution, academic medical
center or private research and development organization as part of a
research protocol approved by an institutional review board or equivalent
entity.

(d) As used in this section:

(1) "Public library" means any library established pursuant to article
12 of chapter 12 of the Kansas Statutes Annotated, and amendments
thereto, and any other library that serves the general public and is funded
in whole, or in part, from moneys derived from tax levies;

(2) "public park" means any park or other outdoor recreational area or
facility, including, but not limited to, parks, open spaces, trails, swimming
pools, playgrounds and playing courts and fields, established by the state
or any political subdivision thereof;

10 "religious organization" means any organization, church, body of (3) 11 communicants or group, gathered in common membership for mutual 12 support and edification in piety, worship and religious observances, or a 13 society of individuals united for religious purposes at a definite place and 14 such religious organization maintains an established place of worship 15 within this state and has a regular schedule of services or meetings at least 16 on a weekly basis and has been determined to be organized and created as 17 a bona fide religious organization: and

(4) "school" means any public or private educational institution,
including, but not limited to, any college, university, community college,
technical college, high school, middle school, elementary school, trade
school, vocational school or other professional school providing training
or education.

(e) This section shall take effect on and after July 1, 2023.

24 New Sec. 37. (a) Each applicant for a cultivator license, laboratory 25 license, processor license, distributor license or retail dispensary license 26 shall require any owner, director, officer and any employee or agent of 27 such applicant to be fingerprinted and to submit to a state and national 28 criminal history record check. The director of alcoholic beverage control is 29 authorized to submit the fingerprints to the Kansas bureau of investigation 30 and the federal bureau of investigation for a state and national criminal 31 history record check. The director shall use the information obtained from 32 fingerprinting and the state and national criminal history record check for 33 purposes of verifying the identification of the applicant and for making a 34 determination of the qualifications of the applicant for licensure. The 35 Kansas bureau of investigation may charge a reasonable fee to the 36 applicant for fingerprinting and conducting a criminal history record 37 check.

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(b) This section shall take effect on and after July 1, 2023.

New Sec. 38. (a) A financial institution that provides financial services to any licensed cultivator, laboratory, processor, distributor or retail dispensary shall be exempt from any criminal law of this state, an element of which may be proven by substantiating that a person provides financial services to a person who possesses, delivers or manufactures marijuana or marijuana-derived products, including any of the offenses
 specified in article 53 or 57 of chapter 21 of the Kansas Statutes
 Annotated, and amendments thereto, if the cultivator, laboratory,
 processor, distributor or retail dispensary is in compliance with the
 provisions of this act and all applicable tax laws of this state.

6 (b) (1) Upon the request of a financial institution, the director of 7 alcoholic beverage control shall provide to the financial institution the 8 following information:

9 (A) Whether a person with whom the financial institution is seeking 10 to do business is a licensed cultivator, laboratory, processor, distributor or 11 retail dispensary;

12 (B) the name of any other business or individual affiliated with the 13 person;

14 (C) an unredacted copy of such person's application for a license, and 15 any supporting documentation, that was submitted by the person;

(D) if applicable, information relating to sales and volume of productsold by the person;

(E) whether the person is in compliance with the provisions of thisact; and

(F) any past or pending violations of the Kansas medical marijuana
 regulation act or any rules and regulations adopted thereunder committed
 by such person, and any penalty imposed on the person for such violation.

(2) The director may charge a financial institution a reasonable fee to
 cover the administrative cost of providing information requested under this
 section.

(c) Information received by a financial institution under subsection
(b) shall be confidential. Except as otherwise permitted by any other state
or federal law, a financial institution shall not make the information
available to any person other than the customer to whom the information
applies and any trustee, conservator, guardian, personal representative or
agent of that customer.

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(d) As used in this section:

(1) "Financial institution" means any bank, trust company, savings
bank, credit union or savings and loan association or any other financial
institution with an office in Kansas regulated by the state of Kansas, any
agency of the United States or another state; and

(2) "financial services" means services that a financial institution is
authorized to provide under chapter 9 or article 22 of chapter 17 of the
Kansas Statutes Annotated, and amendments thereto, as applicable.

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(e) This section shall take effect on and after July 1, 2023.

New Sec. 39. (a) Nothing in this act authorizes the director of
alcoholic beverage control to oversee or limit research conducted at a
postsecondary educational institution, academic medical center or private

1 research and development organization that is related to marijuana and is

2 approved by an agency, board, center, department or institute of the United

3 States government, including any of the following: 4

(1)The agency for health care research and quality; (2) the national institutes of health;

5 6 (3) the national academy of sciences;

7 (4) the centers for medicare and medicaid services;

8 (5) the United States department of defense;

9 (6) the centers for disease control and prevention;

10 (7) the United States department of veterans affairs;

(8) the drug enforcement administration; 11

12 (9) the food and drug administration; and

13 any board recognized by the national institutes of health for the (10)purpose of evaluating the medical value of health care services. 14

(b) This section shall take effect on and after July 1, 2023. 15

16 New Sec. 40. (a) The provisions of the Kansas medical marijuana 17 regulation act are hereby declared to be severable. If any part or provision 18 of the Kansas medical marijuana regulation act is held to be void, invalid 19 or unconstitutional, such part or provision shall not affect or impair any of the remaining parts or provisions of the Kansas medical marijuana 20 21 regulation act, and any such remaining provisions shall continue in full 22 force and effect.

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(b) This section shall take effect on and after July 1, 2023.

24 New Sec. 41. (a) It shall be unlawful to store or otherwise leave 25 medical marijuana where it is readily accessible to a child under the age of 26 18 years.

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(b) Violation of this section is a class A person misdemeanor.

28 (c) This provisions of this section shall not apply to a person who 29 stores or otherwise leaves medical marijuana where it is readily accessible 30 to a child under 18 years of age if:

31 (1) Such child is a patient registered pursuant to section 8, and 32 amendments thereto; and

33 (2) such medical marijuana is not readily accessible to any other child 34 under 18 years of age.

35 (d) As used in this section:

36 (1) "Medical marijuana" means the same as defined in section 2, and 37 amendments thereto; and

38 (2) "readily accessible" means the medical marijuana is not stored in 39 a locked container that restricts entry to such container to individuals who 40 are 18 years of age or older or who are registered patients pursuant to 41 section 8, and amendments thereto.

42 (e) This section shall be a part of and supplemental to the Kansas 43 criminal code.

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(f) This section shall take effect on and after July 1, 2023.

2 New Sec. 42. (a) Subject to the provisions of K.S.A. 44-1018, and 3 amendments thereto, it shall be unlawful for any person to:

(1) Refuse to sell or rent after the making of a bona fide offer, to fail to transmit a bona fide offer or refuse to negotiate in good faith for the sale

5 6 or rental of, or otherwise make unavailable or deny, real property to any 7 person because such person consumes medical marijuana in accordance 8 with section 10, and amendments thereto;

9 (2) discriminate against any person in the terms, conditions or privileges of sale or rental of real property, or in the provision of services 10 or facilities in connection therewith, because such person consumes 11 12 medical marijuana in accordance with section 10, and amendments 13 thereto; and

14 (3) discriminate against any person in such person's use or occupancy of real property because such person associates with another person who 15 16 consumes medical marijuana in accordance with section 10, and 17 amendments thereto

18 (b) (1) It shall be unlawful for any person or other entity whose business includes engaging in real estate-related transactions to 19 20 discriminate against any person in making available such a transaction, or 21 in the terms or conditions of such a transaction, because such person or 22 any person associated with such person in connection with any real estate-23 related transaction consumes medical marijuana in accordance with 24 section 10, and amendments thereto.

25 (2) Nothing in this subsection prohibits a person engaged in the business of furnishing appraisals of real property to take into consideration 26 27 factors other than an individual's consumption of medical marijuana in 28 accordance with section 10, and amendments thereto.

(3) As used in this subsection, "real estate-related transaction" means 29 30 the same as defined in K.S.A. 44-1017, and amendments thereto.

31 (c) It shall be unlawful to coerce, intimidate, threaten or interfere with 32 any person in the exercise or enjoyment of, or on account of such person's 33 having exercised or enjoyed, or on account of such person's having aided 34 or encouraged any other person in the exercise or enjoyment of, any right 35 granted or protected by subsection (a) or (b).

36 (d) Nothing in this section shall be construed to prohibit a person 37 from taking any action necessary to procure or retain any monetary benefit 38 provided under federal law, or any rules and regulations adopted 39 thereunder or to obtain or maintain any license, certificate, registration or 40 other legal status issued or bestowed under federal law or any rules and 41 regulations adopted thereunder.

42 (e) This section shall be a part of and supplemental to the Kansas act 43 against discrimination.

(f) This section shall take effect on and after July 1, 2023.

2 New Sec. 43. (a) A covered entity, solely on the basis that an 3 individual consumes medical marijuana in accordance with section 10, and 4 amendments thereto, shall not:

5 (1) Consider such individual ineligible to receive an anatomical gift 6 or organ transplant;

(2) deny medical and other services related to organ transplantation,
 including evaluation, surgery, counseling and post-transplantation
 treatment and services;

10 (3) refuse to refer the individual to a transplant center or a related 11 specialist for the purpose of evaluation or receipt of an organ transplant;

12 (4) refuse to place such individual on an organ transplant waiting list;13 or

(5) place such individual at a lower-priority position on an organ
 transplant waiting list than the position at which such individual would
 have been placed if not for such individual's consumption of medical
 marijuana.

18 (b) A covered entity may take into account an individual's 19 consumption of medical marijuana when making treatment or coverage 20 recommendations or decisions, solely to the extent that such consumption 21 has been found by a physician, following an individualized evaluation of 22 the individual, to be medically significant to the provision of the 23 anatomical gift.

(c) Nothing in this section shall be construed to require a covered
 entity to make a referral or recommendation for or perform a medically
 inappropriate organ transplant.

(d) As used in this section, the terms "anatomical gift," "covered
entity" and "organ transplant" mean the same as those terms are defined in
K.S.A. 65-3276, and amendments thereto.

(e) This section shall take effect on and after July 1, 2023.

New Sec. 44. (a) No order shall be issued pursuant to K.S.A. 2020 Supp. 38-2242, 38-2243 or 38-2244, and amendments thereto, if the sole basis for the threat to the child's safety or welfare is that the child resides with an individual who consumes medical marijuana in accordance with section 10, and amendments thereto, or the child consumes medical marijuana in accordance with section 10, and amendments thereto.

(b) The provisions of this section shall be a part of and supplementalto the revised Kansas code for care of children.

39

30

(c) This section shall take effect on and after July 1, 2023.

New Sec. 45. (a) Notwithstanding the provisions of K.S.A. 65-2836,
and amendments thereto, the board shall not revoke, suspend or limit a
physician's license, publicly censure a physician or place a physician's
license under probationary conditions solely because a physician has:

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1 (1) Advised a patient about the possible benefits and risks of using 2 medical marijuana;

3 (2) advised the patient that using medical marijuana may mitigate the 4 patient's symptoms; or

5 (3) submitted an application on behalf of a patient or caregiver for 6 registration as a patient or caregiver under section 8, and amendments 7 thereto; or

8 (b) the physician is a registered patient or caregiver pursuant to 9 section 8, and amendments thereto, possesses or has possessed or uses or 10 has used medical marijuana in accordance with this act.

11

(c) This section shall take effect on and after July 1, 2023.

New Sec. 46. (a) Notwithstanding the provisions of K.S.A. 65-28a05, and amendments thereto, the board shall not revoke, suspend or limit a physician assistant's license, publicly or privately censure a physician assistant or deny an application for a license or for reinstatement of a license upon any of the following:

17

(1) The physician assistant has:

18 (A) Advised a patient about the possible benefits and risks of using19 medical marijuana; or

20 (B) advised the patient that using medical marijuana may mitigate the 21 patient's symptoms; or

(2) the physician assistant is a registered patient or caregiver pursuant
to section 8, and amendments thereto, possesses or has possessed or uses
or has used medical marijuana in accordance with this act.

25

32

(c) This section shall take effect on and after July 1, 2023.

New Sec. 47. (a) Notwithstanding any other provision of law, any person, board, commission or similar body that determines the qualifications of individuals for licensure, certification or registration shall not disqualify an individual from licensure, certification or registration solely because such individual consumes medical marijiuana in accordance with section 10, and amendments thereto.

(b) The provisions of this section shall not apply to the:

33 (1) Kansas commission on peace officers' standards and training;

- 34 (2) Kansas highway patrol;
- 35 (3) office of the attorney general;
- 36 (4) department of health and environment; or
- 37 (5) division of alcoholic beverage control.
- 38 (c) This section shall take effect on and after July 1, 2023.

New Sec. 48. (a) Sections 48 through 60 and 63 through 66, and amendments thereto, shall be known and may be cited as the Kansas innovative solutions for affordable healthcare act.

42 (b) The legislature expressly consents to expand eligibility for receipt 43 of benefits under the Kansas program of medical assistance, as required by K.S.A. 39-709(e)(2), and amendments thereto, by the passage and
enactment of the act, subject to all requirements and limitations established
in the act.

4 (c) The secretary of health and environment shall adopt rules and 5 regulations as necessary to implement and administer the act.

6 (d) As used in sections 48 through 60 and 63 through 66, and 7 amendments thereto:

8 (1) "138% of the federal poverty level," or words of like effect, 9 includes a 5% income disregard permitted under the federal patient 10 protection and affordable care act.

11 (2) "Act" means the Kansas innovative solutions for affordable 12 healthcare act.

13

(e) This section shall take effect on and after July 1, 2023.

New Sec. 49. (a) The secretary of health and environment shall submit to the United States centers for medicare and medicaid services any to implement the act. At least 10 calendar days prior to submission of any such approval request to the United States centers for medicare and medicaid services, the secretary of health and environment shall submit such approval request application to the state finance council.

21 (b) For purposes of eligibility determinations under the Kansas 22 program of medical assistance on and after January 1, 2022, medical 23 assistance shall be granted to any adult under 65 years of age who is not 24 pregnant and whose income meets the limitation established in subsection 25 (c), as permitted under the provisions of 42 U.S.C. § 1396a, as it exists on the effective date of the act, and subject to a 90% federal medical 26 27 assistance percentage and all requirements and limitations established in 28 the act.

(c) The secretary of health and environment shall submit to the
United States centers for medicare and medicaid services any approval
request necessary to provide medical assistance eligibility to individuals
described in subsection (b) whose modified adjusted gross income does
not exceed 138% of the federal poverty level.

34

(d) This section shall take effect on and after July 1, 2023.

35 New Sec. 50. (a) The secretary of health and environment shall refer 36 each non-disabled adult applying for or receiving coverage under the act 37 who is unemployed or working less than 20 hours per week to the 38 Kansasworks program administered by the department of commerce. The 39 secretary of commerce shall coordinate with the secretary of health and 40 environment to certify to the secretary of health and environment each covered individual's compliance with this section. The secretary of 41 commerce shall maintain a unique identifier for Kansasworks participants 42 43 who are covered individuals under the act to track employment outcomes

1 and progress toward employment.

2 (b) The secretary of health and environment shall evaluate each new 3 applicant for coverage under the act for education status, employment 4 status and any factors impacting the applicant's employment status, if less 5 than full-time employment, and shall require each applicant to 6 acknowledge the referral required under subsection (a). Such evaluation 7 shall be a prerequisite for coverage under the act.

8 (c) A full-time student enrolled in a postsecondary educational 9 institution or technical college, as defined by K.S.A. 74-3201b, and 10 amendments thereto, shall be exempt from the referral required under 11 subsection (a) for each year the student is enrolled in such educational 12 setting.

(d) The secretary of health and environment, in coordination with the
secretary of commerce, shall report annually to the legislature on or before
the first day of each regular session of the legislature regarding the
employment outcomes of covered individuals under the act.

17

(e) This section shall take effect on and after July 1, 2023.

18 New Sec. 51. (a) (1) Except to the extent prohibited by 42 U.S.C. § 19 13960-1(a)(2) and (b)(3), as such provisions exist on the effective date of 20 this act, the department of health and environment shall charge to each 21 covered individual described in section 49(b), and amendments thereto, a 22 monthly fee not to exceed \$25 per individual, but not to exceed a 23 maximum of \$100 per month per family household, as a condition of 24 participation in the program. The department may grant a hardship 25 exemption from payment of the monthly fee, as determined by the 26 secretary of health and environment.

(2) The department of health and environment shall remit all moneys 27 28 collected or received for monthly fees charged under this subsection, 29 except for the federal share of such fees required to be remitted to the 30 United States centers for medicare and medicaid services, to the state 31 treasurer in accordance with K.S.A. 75-4215, and amendments thereto. 32 Upon receipt of each such remittance, the state treasurer shall deposit the 33 entire amount remitted into the state treasury to the credit of the state 34 general fund.

(b) The department of health and environment shall utilize the debt
collection procedures authorized by K.S.A. 75-6201 et seq., and
amendments thereto, for a covered individual under the act who is
delinquent by 60 days or more in making a monthly fee payment.

(c) The secretary of health and environment may require each
 managed care organization providing services under the act to collect the
 monthly fee charged under subsection (a) in lieu of the department.

42 (d) In January of each year, the secretary of health and environment 43 shall submit to the house of representatives standing committee on health 1 and human services and the senate standing committee on public health 2 and welfare, or any successor committees, an accounts receivable report

and wonder, or any successor commuters, an accounts receivable report
 for monthly fees collected under this section during the preceding calendar
 year.

5

(e) This section shall take effect on and after July 1, 2023.

6 New Sec. 52. (a) The secretary of health and environment may 7 establish a health insurance coverage premium assistance program for 8 individuals who meet the following requirements:

9 (1) The individual has an annual income that is 100% or greater than, 10 but does not exceed 138% of, the federal poverty level, based on the 11 modified adjusted gross income provisions set forth in section 2001(a)(1) 12 of the federal patient protection and affordable care act; and

(2) the individual is eligible for health insurance coverage through an
 employer but cannot afford the health insurance coverage premiums, as
 determined by the secretary of health and environment.

16

(b) A program established under this section shall:

(1) Contain eligibility requirements that are the same as in sections 49and 50, and amendments thereto; and

(2) provide that an individual's payment for a health insurance coverage premium may not exceed 2% of the individual's modified adjusted gross income, not to exceed 2% of the household's modified adjusted gross income in the aggregate with any premium charged to any other household member participating in the premium assistance program.

24

(c) This section shall take effect on and after July 1, 2023.

25 New Sec. 53. (a) Except to the extent prohibited by 42 U.S.C. § 1396u-2(a)(2), as it exists on the effective date of this act, the secretary of 26 27 health and environment shall administer medical assistance benefits using 28 a managed care delivery system using organizations subject to assessment 29 of the privilege fee under K.S.A. 40-3213, and amendments thereto. If the 30 United States centers for medicare and medicaid services determines that 31 the assessment of a privilege fee provided in K.S.A. 40-3213, and 32 amendments thereto, is unlawful or otherwise invalid, then the secretary of health and environment shall administer state medicaid services using a 33 34 managed care delivery system.

(b) In awarding a contract for an entity to administer state medicaid
 services using a managed care delivery system, the secretary of health and
 environment shall:

(1) Not provide favorable or unfavorable treatment in awarding a
 contract based on an entity's for-profit or not-for-profit tax status;

40 (2) give preference in awarding a contract to an entity that provides
41 health insurance coverage plans on the health benefit exchange in Kansas
42 established under the federal patient protection and affordable care act; and
43 (3) require that any entity administering state medicaid services

provide tiered benefit plans with enhanced benefits for covered individuals
 who demonstrate healthy behaviors, as determined by the secretary of
 health and environment, to be implemented on or before July 1, 2024.

4

(c) This section shall take effect on and after July 1, 2023.

5 New Sec. 54. (a) If the federal medical assistance percentage for 6 coverage of medical assistance participants described in section 1902(a) 7 (10)(A)(i)(VIII) of the federal social security act, 42 U.S.C. § 1396a, as it 8 exists on the effective date of this section, becomes lower than 90%, then 9 the secretary of health and environment shall terminate coverage under the 10 act over a 12-month period, beginning on the first day that the federal medical assistance percentage becomes lower than 90%. No individual 11 12 shall be newly enrolled for coverage under the act after such date.

13

(b) This section shall take effect on and after July 1, 2023.

New Sec. 55. (a) Section 54, and amendments thereto, shall be nonseverable from the remainder of the act. If the provisions of section 54, and amendments thereto, are not approved by the United States centers for medicare and medicaid services, then the act shall be null and void and shall have no force and effect.

(b) A denial of federal approval or federal financial participation that
applies to any provision of the act not enumerated in subsection (a) shall
not prohibit the secretary of health and environment from implementing
any other provision of the act.

23

(c) This section shall take effect on and after July 1, 2023.

24 New Sec. 56. (a) All moneys collected or received by the secretary of 25 health and environment for privilege fees collected pursuant to K.S.A. 40-26 3213, and amendments thereto, connected to covered individuals under the 27 act shall be remitted to the state treasurer in accordance with the 28 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of 29 each such remittance, the state treasurer shall deposit the entire amount in 30 the state treasury to the credit of the medicaid expansion privilege fee 31 fund.

(b) There is hereby created in the state treasury the medicaid expansion privilege fee fund as a reappropriating fund. Moneys in the fund shall be expended for the purpose of medicaid medical assistance payments for covered individuals under the act. All expenditures from the 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 secretary's designee.

(c) The medicaid expansion privilege fee fund shall be used for the purposes set forth in the act and for no other governmental purposes. It is the intent of the legislature that the fund and the moneys deposited into the fund shall remain intact and inviolate for the purposes set forth in the act, and moneys in the fund shall not be subject to the provisions of K.S.A. 751 3722, 75-3725a and 75-3726a, and amendments thereto.

(d) On or before the  $10^{th}$  day of each month, the director of accounts 2 and reports shall transfer from the state general fund to the medicaid 3 4 expansion privilege fee fund interest earnings based on:

5 (1) The average daily balance of moneys in the fund for the preceding 6 month; and

7 (2) the net earnings rate of the pooled money investment portfolio for 8 the preceding month.

9 (e) On or before January 9, 2024, and on or before the first day of the regular session of the legislature each year thereafter, the secretary of 10 health and environment shall prepare and deliver a report to the legislature 11 that summarizes all expenditures from the medicaid expansion privilege 12 13 fee fund, fund revenues and recommendations regarding the adequacy of 14 the fund to support necessary program expenditures. 15

(f) This section shall take effect on and after July 1, 2023.

New Sec. 57. (a) On or before January 9, 2024, and on or before the 16 17 first day of the regular session of the legislature each year thereafter, the secretary of health and environment shall prepare and deliver a report to 18 19 the legislature that summarizes the cost savings achieved by the state from 20 the movement of covered individuals from the KanCare program to 21 coverage under the act, including, but not limited to, the MediKan 22 program, the medically needy spend-down program and the breast and 23 cervical cancer program.

24 (b) State cost savings shall be determined by calculating the cost of 25 providing services to covered individuals in the KanCare program less the cost of services provided to covered individuals under the act. 26

27

(c) This section shall take effect on and after July 1, 2023.

28 New Sec. 58. (a) The secretary of corrections shall coordinate with 29 county sheriffs who request assistance to assist in facilitating medicaid 30 coverage for any state or county inmate incarcerated in a Kansas prison or 31 jail during any time period that the inmate is eligible for coverage.

32 (b) On or before January 9, 2024, and on or before the first day of the 33 regular session of the legislature each year thereafter, the secretary of 34 corrections shall prepare and deliver a report to the legislature that 35 identifies cost savings to the state from the use of the act to provide 36 medicaid reimbursement for inmate inpatient hospitalization.

37

(c) This section shall take effect on and after July 1, 2023.

38 New Sec. 59. (a) On or before February 15 of each year, the secretary 39 of health and environment shall present a report to the house of 40 representatives standing committee on appropriations and the senate 41 standing committee on ways and means, or any successor committees, that 42 summarizes the costs of the act and the cost savings and additional 43 revenues generated during the preceding fiscal year.

9

(b) This section shall take effect on and after July 1, 2023.

New Sec. 60. (a) The legislative post audit committee shall direct the legislative division of post audit to conduct an audit of the direct economic impact of the implementation of the act on the state general fund during the first two fiscal years following implementation of the act. Such audit shall be submitted to the legislature on or before the first day of the regular legislative session immediately following the end of the audited time period.

(b) This section shall take effect on and after July 1, 2023.

New Sec. 61. (a) The department of health and environment shall remit all moneys received by the department of health and environment from drug rebates associated with medical assistance enrollees to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount into the state treasury to the credit of the state general fund.

17 (b) The department of health and environment shall certify the 18 amount of moneys received by such agency from drug rebates associated 19 with medical assistance enrollees on a monthly basis and shall transmit 20 each such certification to the director of legislative research and the 21 director of the budget.

(c) Upon receipt of each such certification, the director of legislative research and the director of the budget shall include such certified amount on any monthly report prepared by the legislative research department or the division of the budget that details state general fund receipts as a separate item entitled "drug rebates" under a category of other revenue sources.

28

(d) This section shall take effect on and after July 1, 2023.

New Sec. 62. (a) There is hereby established in the state treasury the federal medical assistance percentage stabilization fund to be administered by the secretary of health and environment. All expenditures from the federal medical assistance percentage stabilization 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 secretary's designee.

36 (b) Notwithstanding the provisions of any other statute, the attorney 37 general is hereby authorized and directed to remit to the state treasurer, in 38 accordance with the provisions of K.S.A. 75-4215, and amendments 39 thereto, any moneys that are recovered by the attorney general on behalf of the state in the civil action Texas v. Rettig, No. 18-10545 (5th Cir.), or any 40 other civil action to which the state of Kansas is a party and in which the 41 attorney general recovers moneys on behalf of the state due to a 42 43 determination that imposition of the health insurance provider fee under

the federal patient protection and affordable care act, public law 111-152,
 is invalid. Upon receipt of each such remittance, the state treasurer shall
 deposit the entire amount into the state treasury to the credit of the federal
 medical assistance percentage stabilization fund.

5 (c) Beginning in fiscal year 2023, all transfers from the federal 6 medical assistance percentage stabilization fund shall be used during any 7 fiscal year to fund any additional title XIX costs incurred due to any 8 decrease to the federal medical assistance percentage for the state of 9 Kansas.

10 (d) Each fiscal year, on December 1 and June 30, beginning in fiscal year 2024, the secretary shall determine and certify the estimated amount 11 12 of any reduced or increased title XIX costs incurred due to any increase or 13 decrease to the federal medical assistance percentage for the state of Kansas in the current fiscal year. The secretary shall certify each such 14 15 amount to the director of accounts and reports and shall transmit a copy of 16 each such certification to the director of the budget and the director of 17 legislative research. Upon receipt of any such certification indicating 18 reduced costs, the director of accounts and reports shall transfer such 19 certified amount of moneys from the state general fund to the federal 20 medical assistance percentage stabilization fund. Upon receipt of any such 21 certification indicating increased costs, the director of accounts and reports 22 shall transfer such certified amount of moneys from the federal medical 23 assistance percentage stabilization fund to the state general fund.

(e) The federal medical assistance percentage stabilization fund and
any other moneys transferred pursuant to this section shall be used for the
purposes set forth in this section and for no other governmental purposes.
It is the intent of the legislature that the funds and the moneys deposited
into this fund shall remain intact and inviolate for the purposes set forth in
this section.

(f) As used in this section, "moneys that are recovered" includes
damages, penalties, attorney fees, costs, disbursements, refunds, rebates or
any other monetary payment made or paid by any defendant by reason of
any judgment, consent decree or settlement, after payment of any costs or
fees allocated by court order.

(g) On or before September 1 of each year, the secretary of health and environment shall submit an annual report to the legislature and the legislative budget committee. The report shall include details of actual expenditures related to adjustments of the federal medical assistance percentage for the state of Kansas and all certified amounts transferred in and out of the federal medical assistance percentage stabilization fund.

41 (h) This section shall take effect on and after July 1, 2023.

42 New Sec. 63. (a) As used in this section:

43 (1) "Contractor" means a professional firm with experience in

conducting rural hospital transformation projects and experience working
 in the state of Kansas.

3

(2) "Department" means the department of health and environment.

4 (3) "Implementation support" means support in implementing a 5 transformation plan by one or more contractors in close collaboration with 6 a target hospital.

7 (4) "Rural hospital" means a hospital located outside of a major urban
8 or suburban area, but may be located within a metropolitan statistical area,
9 as defined by the department.

10 (5) "Rural hospital transformation program" means a program 11 administered by the department to support rural hospitals in assessing 12 viability and identifying new delivery models, strategic partnerships and 13 implementing financial reform, delivery system reform or operational 14 changes that enable continued provision of healthcare services in and 15 improving the health of rural communities.

(6) "Rural primary health center pilot initiative" means a program to
support rural communities by preserving access to healthcare services and
improving the health of the population through statutory and regulatory
changes.

(7) "Target hospital" means a rural hospital determined to be eligibleby the department for the rural hospital transformation program.

(8) "Transformation plan" means a strategic plan developed by one or
 more contractors in close collaboration with a target hospital and local
 community stakeholders to provide recommendations and actionable steps
 to preserve healthcare services in the target hospital's community.

26 (b) The department shall establish an advisory committee comprised 27 of one or more representatives from each of the following: The department 28 of health and environment; the department of labor; the state board of 29 regents; the Kansas hospital association; the Kansas medical society; the community care network of Kansas; the association of community mental 30 31 health centers of Kansas; the state board of healing arts; the Kansas farm 32 bureau; the emergency medical services board; and other public and 33 private stakeholders as deemed appropriate by the department.

(c) The department, in coordination with the advisory committee,
shall establish and manage the rural hospital transformation program and
shall identify one or more contractors to provide consultation to each
approved target hospital for the creation of a transformation plan,
including:

(1) Assessing community health needs by analyzing patient access
 and utilization patterns and social determinants of health, including
 transportation, housing and food security, that impact health outcomes;

42 (2) understanding the landscape of rural healthcare, including 43 hospital-based and outpatient services; 1 (3) developing hospital-specific strategic and operational 2 transformation plans tailored to the target hospital and community to 3 improve viability;

- 4 (4) providing support for the target hospital to implement the 5 transformation plan; and
- 6 (5) engaging with local healthcare and other community leaders and 7 residents to develop a holistic understanding of promising practices, 8 opportunities and barriers to care.

9 (d) A target hospital may submit an application to the department for 10 review and approval to receive consultation from identified contractors for 11 the development of a transformation plan. Such application shall be made 12 on a form and in a manner determined by the department, in coordination 13 with the advisory committee.

(e) Each transformation plan shall be developed through coordination
between the contractor, target hospital, target hospital community
stakeholders and other appropriate stakeholders. The transformation plan
shall include a timeline for implementation and shall be submitted to the
department. The department shall receive periodic progress updates on the
implementation of the transformation plan, as determined by the
department, and monitor the progress of target hospitals.

(f) The department, in coordination with the advisory committee,
shall identify state statutes and rules and regulations that may need to be
amended or otherwise altered to permit eligible hospitals to participate in
the rural primary health center pilot initiative.

(g) The department shall coordinate with the Kansas hospital
association to submit an application to the United States centers for
medicare and medicaid services to permit the establishment of the rural
primary health center pilot initiative.

(h) The department shall provide periodic updates on the rural health
transformation program and the rural primary health center pilot initiative
to the house of representatives standing committee on health and human
services and the senate standing committee on public health and welfare,
or any successor committees, upon the request of each such committee.

34

(i) This section shall take effect on and after July 1, 2023.

New Sec. 64. (a) The insurance department shall analyze and prepare a report detailing any cost shifting from hospitals to commercial health insurance plans as a result of implementation of the Kansas innovative solutions for affordable healthcare act.

(b) The insurance department shall compile such report using data from the Kansas health insurance informations system, data calls and other data sources available to the department. Using such data, the insurance department shall determine a base rate paid to hospitals in Kansas for healthcare services from commercial insurance companies as a percentage 1 of the current published medicare allowable rates established by the 2 United States centers for medicare and medicaid services, categorized by 3 the seven geographic rating areas in Kansas established by the United 4 States centers for medicare and medicaid services.

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(c) Such report shall include such data for the current calendar year 6 and historical data for the 10 years prior to such year, except that such 7 historical data shall not include data prior to calendar year 2018.

8 (d) Such report shall be submitted to the house of representatives 9 standing committee on health and human services and the senate standing 10 committee on public health and welfare, or any successor committees, on or before January 9, 2023, and on or before the first day of the regular 11 12 session of the legislature each year thereafter.

13 New Sec. 65. (a) The insurance department shall study and prepare a report on any risks and benefits associated with converting the health 14 benefit exchange operated in Kansas under the federal patient protection 15 16 and affordable care act from a federally facilitated health benefit exchange 17 to a state-based health benefit exchange. To assist with the completion of 18 such study and report, the insurance department shall identify and procure 19 a contractor with experience in developing a state-based health benefit 20 exchange under the federal patient protection and affordable care act.

21 (b) Such study and report shall include, but not be limited to, any 22 financial impacts to commercial health insurance premium rates from such 23 conversion and any additional flexibility allowed to the state in plan 24 design, benefits and income levels on a state-based health benefit 25 exchange.

26 (c) Such study and report shall be submitted to the house of 27 representatives standing committee on health and human services and the 28 senate standing committee on public health and welfare or any successor 29 committees on or before January 10, 2022.

30 New Sec. 66. (a) The secretary of health and environment, in 31 coordination with the Kansas hospital association, Kansas medical society, community care network of Kansas and other private and public 32 33 stakeholders, as deemed appropriate by the secretary, shall establish a task 34 force to develop a plan to measure and report uncompensated care 35 provided by Kansas healthcare providers and hospitals when 36 reimbursement for care provided to a patient is not collected.

37 (b) The task force shall define "uncompensated care" to include, but 38 not be limited to.

39 (1) "Charity care," defined as expenses for care for which the hospital 40 never expects to be reimbursed;

(2) "bad debt," defined as expenses incurred when a hospital cannot 41 42 obtain reimbursement for services because the patient is unable or 43 unwilling to pay for such services; and

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1 (3) "uncompensated care," defined as the sum of bad debt and charity 2 care expenses.

3 (c) The task force shall identify and research data elements that are 4 already available, in order to minimize administrative burdens on 5 healthcare providers and hospitals.

6 (d) Such report shall include such data for the current calendar year 7 and historical data for the 10 years prior to such year, except that such 8 historical data shall not include data prior to calendar year 2018.

9 (e) Such report shall be submitted to the house of representatives standing committee on health and human services and the senate standing 10 committee on public health and welfare, or any successor committees, on 11 12 or before January 9, 2023, and on or before the first day of the regular session of the legislature each year thereafter. 13 Sec. 67.

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# INSURANCE DEPARTMENT

Notwithstanding the provisions of K.S.A. 39-709(e)(2) or 40-112, 16 (a) 17 and amendments thereto, or any other statute to the contrary, during the 18 fiscal years ending June 30, 2021, and June 30, 2022, in addition to the 19 other purposes for which expenditures may be made by the above agency from moneys appropriated from the insurance department service 20 21 regulation fund for fiscal years 2021 and 2022 by section 36(a) of chapter 22 5 of the 2020 Session Laws of Kansas, this or any other appropriation act 23 of the 2021 regular session of the legislature, expenditures shall be made 24 by the above agency from such moneys to:

25 (1) Study any risks and benefits associated with converting the health benefit exchange operated in Kansas under the federal patient protection 26 and affordable care act from a federally facilitated health benefit exchange 27 28 to a state-based health benefit exchange;

(2) procure the services of a contractor with experience in developing 29 30 a state-based health benefit exchange in order to facilitate such study; and

31 (3) submit a report based on such study to the legislature on or before 32 January 10, 2022.

33 Sec. 68.

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#### DEPARTMENT OF HEALTH AND ENVIRONMENT -DIVISION OF HEALTH CARE FINANCE

36 (a) During the fiscal years ending June 30, 2021, and June 30, 2022, 37 in addition to the other purposes for which expenditures may be made by 38 the above agency from moneys appropriated from the state general fund or 39 from any special revenue fund or funds for fiscal years 2021 and 2022 by section 70 of chapter 5 of the 2020 Session Laws of Kansas, this or any 40 41 other appropriation act of the 2021 regular session of the legislature, 42 expenditures shall be made by the above agency from such moneys to 43 submit to the United States centers for medicare and medicaid services, 1 prior to January 1, 2022, a waiver request to allow for medicaid 2 reimbursement for inpatient psychiatric acute care.

3 (b) On the effective date of this act, the provisions of section 70(k) of 4 chapter 5 of the 2020 Session Laws of Kansas shall be null and void and 5 shall have no force and effect.

6 Sec. 69. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5703 is 7 hereby amended to read as follows: 21-5703. (a) It shall be unlawful for 8 any person to manufacture any controlled substance or controlled 9 substance analog.

(b) Violation or attempted violation of subsection (a) is a:

(1) Drug severity level 2 felony, except as provided in subsections (b)
(2) and (b)(3);

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(2) drug severity level 1 felony if:

14 (A) The controlled substance is not methamphetamine, as defined by 15 subsection (d)(3) or (f)(1) of K.S.A. 65-4107(d)(3) or (f)(1), and 16 amendments thereto, or an analog thereof; and

17 (B) the offender has a prior conviction for unlawful manufacturing of 18 a controlled substance under this section, K.S.A. 65-4159, prior to its 19 repeal, K.S.A. 2010 Supp. 21-36a03, prior to its transfer, or a substantially 20 similar offense from another jurisdiction and the substance was not 21 methamphetamine, as defined by-subsection (d)(3) or (f)(1) of K.S.A. 65-22 4107(d)(3) or (f)(1), and amendments thereto, or an analog thereof, in any 23 such prior conviction; and

24 (3) drug severity level 1 felony if the controlled substance is 25 methamphetamine, as defined by-subsection (d)(3) or (f)(1) of K.S.A. 65-26 4107(d)(3) or (f)(1), and amendments thereto, or an analog thereof.

(c) The provisions of subsection (d) of K.S.A. 2020 Supp. 215301(d), and amendments thereto, shall not apply to a violation of
attempting to unlawfully manufacture any controlled substance or
controlled substance analog pursuant to this section.

(d) For persons arrested and charged under this section, bail shall be at least \$50,000 cash or surety, and such person shall not be released upon the person's own recognizance pursuant to K.S.A. 22-2802, and amendments thereto, unless the court determines, on the record, that the defendant is not likely to re-offend, the court imposes pretrial supervision, or the defendant agrees to participate in a licensed or certified drug treatment program.

(e) The sentence of a person who violates this section shall not be
 subject to statutory provisions for suspended sentence, community service
 work or probation.

41 (f) The sentence of a person who violates this section, K.S.A. 65-42 4159, prior to its repeal or K.S.A. 2010 Supp. 21-36a03, prior to its 43 transfer, shall not be reduced because these sections prohibit conduct

identical to that prohibited by K.S.A. 65-4161 or 65-4163, prior to their 1 2 repeal, K.S.A. 2010 Supp. 21-36a05, prior to its transfer, or K.S.A. 2020 3 Supp. 21-5705, and amendments thereto.

4 (g) The provisions of this section shall not apply to a cultivator or 5 processor licensed pursuant to section 20, and amendments thereto, that is 6 producing medical marijuana, as defined in section 2, and amendments 7 thereto, when used for acts authorized by the Kansas medical marijuana 8 regulation act, section 1 et seq., and amendments thereto.

9 Sec. 70. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5705 is 10 hereby amended to read as follows: 21-5705. (a) It shall be unlawful for any person to distribute or possess with the intent to distribute any of the 11 12 following controlled substances or controlled substance analogs thereof:

13 (1) Opiates, opium or narcotic drugs, or any stimulant designated in subsection (d)(1), (d)(3) or (f)(1) of K.S.A. 65-4107(d)(1), (d)(3) or (f)(1), 14 and amendments thereto; 15

16 (2) any depressant designated in subsection (e) of K.S.A. 65-4105(e), subsection (e) of K.S.A. 65-4107(e), subsection (b) or (e) of K.S.A. 65-17 18 4109(b) or (c) or subsection (b) of K.S.A. 65-4111(b), and amendments 19 thereto:

20 (3) any stimulant designated in subsection (f) of K.S.A. 65-4105(f), 21 subsection (d)(2), (d)(4), (d)(5) or (f)(2) of K.S.A. 65-4107(d)(2), (d)(4), 22 (d)(5) or (f)(2) or subsection (e) of K.S.A. 65-4109(e), and amendments 23 thereto:

24 (4) any hallucinogenic drug designated in subsection (d) of K.S.A. 25 65-4105(d), subsection (g) of K.S.A. 65-4107(g) or subsection (g) of K.S.A. 65-4109(g), and amendments thereto: 26

27 (5) any substance designated in subsection (g) of K.S.A. 65-4105(g)28 and subsection (c), (d), (e), (f) or (g) of K.S.A. 65-4111(c), (d), (e), (f) or 29 (g), and amendments thereto;

(6) any anabolic steroids as defined in-subsection (f) of K.S.A. 65-30 31 4109(f), and amendments thereto; or

32 (7) any substance designated in subsection (h) of K.S.A. 65-4105(h), 33 and amendments thereto.

34 (b) It shall be unlawful for any person to distribute or possess with 35 the intent to distribute a controlled substance or a controlled substance 36 analog designated in K.S.A. 65-4113, and amendments thereto.

37 (c) It shall be unlawful for any person to cultivate any controlled 38 substance or controlled substance analog listed in subsection (a). 39

(d) (1) Except as provided further, violation of subsection (a) is a:

40 (A) Drug severity level 4 felony if the quantity of the material was 41 less than 3.5 grams;

(B) drug severity level 3 felony if the quantity of the material was at 42 43 least 3.5 grams but less than 100 grams;

(C) drug severity level 2 felony if the quantity of the material was at 1 least 100 grams but less than 1 kilogram; and 2 (D) drug severity level 1 felony if the quantity of the material was 1 3 4 kilogram or more. 5 (2) Violation of subsection (a) with respect to material containing any 6 quantity of marijuana, or an analog thereof, is a: 7 (A) Drug severity level 4 felony if the quantity of the material was 8 less than 25 grams; (B) drug severity level 3 felony if the quantity of the material was at 9 least 25 grams but less than 450 grams; 10 (C) drug severity level 2 felony if the quantity of the material was at 11 least 450 grams but less than 30 kilograms; and 12 (D) drug severity level 1 felony if the quantity of the material was 30 13 kilograms or more. 14 (3) Violation of subsection (a) with respect to material containing any 15 16 quantity of heroin, as defined by subsection (c)(1) of K.S.A. 65-4105(c) (1), and amendments thereto, or methamphetamine, as defined by 17 subsection (d)(3) or (f)(1) of K.S.A. 65-4107(d)(3) or (f)(1), and 18 19 amendments thereto, or an analog thereof, is a: 20 (A) Drug severity level 4 felony if the quantity of the material was 21 less than 1 gram; 22 (B) drug severity level 3 felony if the quantity of the material was at 23 least 1 gram but less than 3.5 grams; (C) drug severity level 2 felony if the quantity of the material was at 24 25 least 3.5 grams but less than 100 grams; and (D) drug severity level 1 felony if the quantity of the material was 26 27 100 grams or more. 28 (4) Violation of subsection (a) with respect to material containing any 29 quantity of a controlled substance designated in K.S.A. 65-4105, 65-4107, 65-4109 or 65-4111, and amendments thereto, or an analog thereof, 30 31 distributed by dosage unit, is a: 32 (A) Drug severity level 4 felony if the number of dosage units was 33 fewer than 10; 34 (B) drug severity level 3 felony if the number of dosage units was at 35 least 10 but less than 100; 36 (C) drug severity level 2 felony if the number of dosage units was at 37 least 100 but less than 1,000; and 38 (D) drug severity level 1 felony if the number of dosage units was 39 1.000 or more. 40 (5) For any violation of subsection (a), the severity level of the offense shall be increased one level if the controlled substance or 41 controlled substance analog was distributed or possessed with the intent to 42 43 distribute on or within 1,000 feet of any school property.

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1 (6) Violation of subsection (b) is a: 2 (A) Class A person misdemeanor, except as provided in-subsection 3 (d)(6)(B) subparagraph (B); and (B) nondrug severity level 7, person felony if the substance was 4 distributed to or possessed with the intent to distribute to a minor. 5 6 (7) Violation of subsection (c) is a: 7 (A) Drug severity level 3 felony if the number of plants cultivated 8 was more than 4 but fewer than 50; 9 (B) drug severity level 2 felony if the number of plants cultivated was 10 at least 50 but fewer than 100; and (C) drug severity level 1 felony if the number of plants cultivated was 11 12 100 or more. 13 (e) In any prosecution under this section, there shall be a rebuttable presumption of an intent to distribute if any person possesses the following 14 quantities of controlled substances or analogs thereof: 15 16 (1) 450 grams or more of marijuana; 17 (2) 3.5 grams or more of heroin or methamphetamine; (3) 100 dosage units or more containing a controlled substance; or 18 19 (4) 100 grams or more of any other controlled substance. 20 (f) It shall not be a defense to charges arising under this section that 21 the defendant: 22 (1) Was acting in an agency relationship on behalf of any other party 23 in a transaction involving a controlled substance or controlled substance 24 analog: 25 (2) did not know the quantity of the controlled substance or controlled substance analog: or 26 (3) did not know the specific controlled substance or controlled 27 28 substance analog contained in the material that was distributed or 29 possessed with the intent to distribute. 30 (g) The provisions of subsections (a)(4) and (a)(5) shall not apply to: 31 (1) Any cultivator licensed pursuant to section 20, and amendments 32 thereto, or any employee or agent thereof, that is growing medical 33 marijuana for the purpose of sale to a licensed processor as authorized by 34 section 21, and amendments thereto; 35 (2) any processor licensed pursuant to section 20, and amendments 36 thereto, or any employee or agent thereof, that is processing medical 37 marijuana for the purpose of sale or distribution to a licensed processor, 38 distributor or retail dispensary as authorized by section 22, and 39 amendments thereto: 40 (3) any distributor licensed pursuant to section 20, and amendments thereto, or any employee or agent thereof, that is storing or distributing 41 medical marijuana for the purpose of wholesale or distribution to a 42 licensed retail dispensary as authorized by section 23, and amendments 43

1 thereto; or

(4) any retail dispensary licensed pursuant to section 25, and
amendments thereto, or any employee or agent thereof, that is engaging in
the sale of medical marijuana in a manner authorized by section 26, and
amendments thereto.

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(*h*) As used in this section:

7 (1) "Material" means the total amount of any substance, including a 8 compound or a mixture, which *that* contains any quantity of a controlled 9 substance or controlled substance analog.

10 (2) "Dosage unit" means a controlled substance or controlled 11 substance analog distributed or possessed with the intent to distribute as a 12 discrete unit, including but not limited to, one pill, one capsule or one 13 microdot, and not distributed by weight.

(A) For steroids, or controlled substances in liquid solution legally
manufactured for prescription use, or an analog thereof, "dosage unit"
means the smallest medically approved dosage unit, as determined by the
label, materials provided by the manufacturer, a prescribing authority,
licensed health care professional or other qualified health authority.

19 (B) For illegally manufactured controlled substances in liquid 20 solution, or controlled substances in liquid products not intended for 21 ingestion by human beings, or an analog thereof, "dosage unit" means 10 22 milligrams, including the liquid carrier medium, except as provided in 23 subsection (g)(2)(C) subparagraph (C).

(C) For lysergic acid diethylamide (LSD) in liquid form, or an analog
 thereof, a dosage unit is defined as 0.4 milligrams, including the liquid
 medium.

(3) "Medical marijuana" means the same as defined in section 2, and
amendments thereto.

Sec. 71. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5706 is hereby amended to read as follows: 21-5706. (a) It shall be unlawful for any person to possess any opiates, opium or narcotic drugs, or any stimulant designated in K.S.A. 65-4107(d)(1), (d)(3) or (f)(1), and amendments thereto, or a controlled substance analog thereof.

(b) It shall be unlawful for any person to possess any of the followingcontrolled substances or controlled substance analogs thereof:

36 (1) Any depressant designated in K.S.A. 65-4105(e), 65-4107(e), 6537 4109(b) or (c) or 65-4111(b), and amendments thereto;

38 (2) any stimulant designated in K.S.A. 65-4105(f), 65-4107(d)(2), (d)
39 (4), (d)(5) or (f)(2) or 65-4109(e), and amendments thereto;

40 (3) any hallucinogenic drug designated in K.S.A. 65-4105(d), 65-41 4107(g) or 65-4109(g), and amendments thereto;

42 (4) any substance designated in K.S.A. 65-4105(g) and 65-4111(c),

43 (d), (e), (f) or (g), and amendments thereto;

1 (5) any anabolic steroids as defined in K.S.A. 65-4109(f), and 2 amendments thereto;

3 (6) any substance designated in K.S.A. 65-4113, and amendments 4 thereto; or

5 (7) any substance designated in K.S.A. 65-4105(h), and amendments 6 thereto.

7 8 (c) (1) Violation of subsection (a) is a drug severity level 5 felony.

(2) Except as provided in subsection (c)(3):

9 (A) Violation of subsection (b) is a class A nonperson misdemeanor, 10 except as provided in subparagraph (B); and

(B) violation of subsection (b)(1) through (b)(5) or (b)(7) is a drug 11 severity level 5 felony if that person has a prior conviction under such 12 subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially 13 similar offense from another jurisdiction, or under any city ordinance or 14 15 county resolution for a substantially similar offense if the substance 16 involved was 3, 4-methylenedioxymethamphetamine (MDMA), marijuana 17 as designated in K.S.A. 65-4105(d), and amendments thereto, or any substance designated in K.S.A. 65-4105(h), and amendments thereto, or an 18 19 analog thereof.

(3) If the substance involved is marijuana, as designated in K.S.A.
65-4105(d), and amendments thereto, or tetrahydrocannabinols, as
designated in K.S.A. 65-4105(h), and amendments thereto, violation of
subsection (b) is a:

24 (A) Class B nonperson misdemeanor, except as provided in 25 subparagraphs (B) and, (C) and (D);

(B) class A nonperson misdemeanor if that person has a prior
conviction under such subsection, under K.S.A. 65-4162, prior to its
repeal, under a substantially similar offense from another jurisdiction, or
under any city ordinance or county resolution for a substantially similar
offense; and

(C) drug severity level 5 felony if that person has two or more prior convictions under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense; and

(D) nonperson misdemeanor punishable by a fine not to exceed \$400,
if that person is not a registered patient or caregiver under the Kansas
medical marijuana regulation act, section 1 et seq., and amendments
thereto, is found in possession of not more than 1.5 ounces of marijuana
and provides a statement from such person's physician recommending the
use of medical marijuana to treat such person's symptoms.

42 (d) It shall be an affirmative defense to prosecution under this section
 43 arising out of a person's possession of any cannabidiol treatment-

preparation if the person: 1

2 (1) Has a debilitating medical condition, as defined in K.S.A. 2020 3 Supp. 65-6235, and amendments thereto, or is the parent or guardian of a 4 minor child who has such debilitating medical condition;

5 (2) is possessing a cannabidiol treatment preparation, as defined in-6 K.S.A. 2020 Supp. 65-6235, and amendments thereto, that is being used to 7 treat such debilitating medical condition; and

8 (3) has possession of a letter, at all times while the person has-9 possession of the cannabidiol treatment preparation, that:

(A) Shall be shown to a law enforcement officer on such officer's-10 11 request;

12 (B) is dated within the preceding 15 months and signed by thephysician licensed to practice medicine and surgery in Kansas who-13 diagnosed the debilitating medical condition; 14

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(C) is on such physician's letterhead; and

16 (D) identifies the person or the person's minor child as suchphysician's patient and identifies the patient's debilitating medical-17 condition If the substance involved is medical marijuana, as defined in 18 19 section 2, and amendments thereto, the provisions of subsections (b) and 20 (c) shall not apply to any person who is registered or licensed pursuant to 21 the Kansas medical marijuana regulation act, section 1 et seq., and 22 amendments thereto, whose possession is authorized by such act.

23 (e) It shall not be a defense to charges arising under this section that 24 the defendant was acting in an agency relationship on behalf of any other 25 party in a transaction involving a controlled substance or controlled 26 substance analog.

27 Sec. 72. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5707 is 28 hereby amended to read as follows: 21-5707. (a) It shall be unlawful for 29 any person to knowingly or intentionally use any communication facility:

(1) In committing, causing, or facilitating the commission of any 30 31 felony under K.S.A. 2020 Supp. 21-5703, 21-5705 or 21-5706, and 32 amendments thereto: or

33 (2) in any attempt to commit, any conspiracy to commit, or any criminal solicitation of any felony under K.S.A. 2020 Supp. 21-5703, 21-34 35 5705 or 21-5706, and amendments thereto. Each separate use of a 36 communication facility may be charged as a separate offense under this 37 subsection.

38 (b) Violation of subsection (a) is a nondrug severity level 8, 39 nonperson felony.

40 (c) The provisions of this section shall not apply to any person using communication facilities for those activities authorized by the Kansas 41 medical marijuana regulation act, section 1 et seq., and amendments 42 43 thereto.

1 (*d*) As used in this section, "communication facility" means any and 2 all public and private instrumentalities used or useful in the transmission 3 of writing, signs, signals, pictures or sounds of all kinds and includes 4 telephone, wire, radio, computer, computer networks, beepers, pagers and 5 all other means of communication.

6 Sec. 73. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5709 is 7 hereby amended to read as follows: 21-5709. (a) It shall be unlawful for 8 any person to possess ephedrine, pseudoephedrine, red phosphorus, 9 lithium metal, sodium metal, iodine, anhydrous ammonia, pressurized 10 ammonia or phenylpropanolamine, or their salts, isomers or salts of 11 isomers with an intent to use the product to manufacture a controlled 12 substance.

(b) It shall be unlawful for any person to use or possess with intent touse any drug paraphernalia to:

15 (1) Manufacture, cultivate, plant, propagate, harvest, test, analyze or16 distribute a controlled substance; or

17 (2) store, contain, conceal, inject, ingest, inhale or otherwise 18 introduce a controlled substance into the human body.

(c) It shall be unlawful for any person to use or possess with intent to
 use anhydrous ammonia or pressurized ammonia in a container not
 approved for that chemical by the Kansas department of agriculture.

(d) It shall be unlawful for any person to purchase, receive or otherwise acquire at retail any compound, mixture or preparation containing more than 3.6 grams of pseudoephedrine base or ephedrine base in any single transaction or any compound, mixture or preparation containing more than nine grams of pseudoephedrine base or ephedrine base within any 30-day period.

(e) (1) Violation of subsection (a) is a drug severity level 3 felony;

(2) violation of subsection (b)(1) is a:

(A) Drug severity level 5 felony, except as provided in subsection (e)
(2)(B); and

(B) class B nonperson misdemeanor if the drug paraphernalia was
used to cultivate fewer than five marijuana plants;

34 (3) violation of subsection (b)(2) is a class B nonperson35 misdemeanor;

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(4) violation of subsection (c) is a drug severity level 5 felony; and

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(5) violation of subsection (d) is a class A nonperson misdemeanor.

(f) For persons arrested and charged under subsection (a) or (c), bail
shall be at least \$50,000 cash or surety, and such person shall not be
released upon the person's own recognizance pursuant to K.S.A. 22-2802,
and amendments thereto, unless the court determines, on the record, that
the defendant is not likely to reoffend, the court imposes pretrial
supervision or the defendant agrees to participate in a licensed or certified

1 drug treatment program.

2 (g) The provisions of subsection (b) shall not apply to any person 3 registered or licensed pursuant to the Kansas medical marijuana 4 regulation act, section 1 et seq., and amendments thereto, whose 5 possession of such drug paraphernalia is used solely to produce or for the 6 administration of medical marijuana, as defined in section 2, and 7 amendments thereto, in a manner authorized by the Kansas medical 8 marijuana regulation act, section 1 et seq., and amendments thereto.

9 Sec. 74. On and after July 1, 2023, K.S.A. 2020 Supp. 21-5710 is 10 hereby amended to read as follows: 21-5710. (a) It shall be unlawful for 11 any person to advertise, market, label, distribute or possess with the intent 12 to distribute:

(1) Any product containing ephedrine, pseudoephedrine, red phosphorus, lithium metal, sodium metal, iodine, anhydrous ammonia, pressurized ammonia or phenylpropanolamine or their salts, isomers or salts of isomers if the person knows or reasonably should know that the purchaser will use the product to manufacture a controlled substance or controlled substance analog; or

19 (2) any product containing ephedrine. pseudoephedrine or phenylpropanolamine, or their salts, isomers or salts of isomers for 20 21 indication of stimulation, mental alertness, weight loss, appetite control, 22 energy or other indications not approved pursuant to the pertinent federal 23 over-the-counter drug final monograph or tentative final monograph or 24 approved new drug application.

(b) It shall be unlawful for any person to distribute, possess with the
intent to distribute or manufacture with intent to distribute any drug
paraphernalia, knowing or under circumstances where one reasonably
should know that it will be used to manufacture or distribute a controlled
substance or controlled substance analog in violation of K.S.A. 2020 Supp.
21-5701 through 21-5717, and amendments thereto.

(c) It shall be unlawful for any person to distribute, possess with
intent to distribute or manufacture with intent to distribute any drug
paraphernalia, knowing or under circumstances where one reasonably
should know, that it will be used as such in violation of K.S.A. 2020 Supp.
21-5701 through 21-5717, and amendments thereto, except-subsection (b)
of K.S.A. 2020 Supp. 21-5706(b), and amendments thereto.

(d) It shall be unlawful for any person to distribute, possess with
intent to distribute or manufacture with intent to distribute any drug
paraphernalia, knowing, or under circumstances where one reasonably
should know, that it will be used as such in violation of subsection (b) of
K.S.A. 2020 Supp. 21-5706(b), and amendments thereto.

42 (e) (1) Violation of subsection (a) is a drug severity level 3 felony;

43 (2) violation of subsection (b) is a:

1 (A) Drug severity level 5 felony, except as provided in subsection (e) 2 (2)(B); and

3 (B) drug severity level 4 felony if the trier of fact makes a finding that 4 the offender distributed or caused drug paraphernalia to be distributed to a 5 minor or on or within 1,000 feet of any school property;

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(3) violation of subsection (c) is a:

7 (A) Nondrug severity level 9, nonperson felony, except as provided in
 8 subsection (e)(3)(B); and

9 (B) drug severity level 5 felony if the trier of fact makes a finding that 10 the offender distributed or caused drug paraphernalia to be distributed to a 11 minor or on or within 1,000 feet of any school property; and

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(4) violation of subsection (d) is a:

13 (A) Class A nonperson misdemeanor, except as provided in 14 subsection (e)(4)(B); and

(B) nondrug severity level 9, nonperson felony if the trier of fact
makes a finding that the offender distributed or caused drug paraphernalia
to be distributed to a minor or on or within 1,000 feet of any school
property.

(f) For persons arrested and charged under subsection (a), bail shall be at least \$50,000 cash or surety, and such person shall not be released upon the person's own recognizance pursuant to K.S.A. 22-2802, and amendments thereto, unless the court determines, on the record, that the defendant is not likely to re-offend, the court imposes pretrial supervision or the defendant agrees to participate in a licensed or certified drug treatment program.

(g) The provisions of subsection (c) shall not apply to persons
licensed pursuant to this act who distribute, possess with intent to
distribute or manufacture with intent to distribute any drug paraphernalia
solely to distribute or produce medical marijuana, as defined in section 2,
and amendments thereto, in a manner authorized by the Kansas medical
marijuana regulation act, section 1 et seq., and amendments thereto.

*(h)* As used in this section, "or under circumstances where one
 reasonably should know" that an item will be used in violation of this
 section, shall include, but not be limited to, the following:

35 (1) Actual knowledge from prior experience or statements by36 customers;

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(2) inappropriate or impractical design for alleged legitimate use;

38 (3) receipt of packaging material, advertising information or other
 39 manufacturer supplied information regarding the item's use as drug
 40 paraphernalia; or

41 (4) receipt of a written warning from a law enforcement or
42 prosecutorial agency having jurisdiction that the item has been previously
43 determined to have been designed specifically for use as drug

1 paraphernalia.

2 Sec. 75. On and after July 1, 2023, K.S.A. 2020 Supp. 23-3203 is hereby amended to read as follows: 23-3203. (a) In determining the issue 3 of legal custody, residency and parenting time of a child, the court shall 4 consider all relevant factors, including, but not limited to: 5

6 (1) Each parent's role and involvement with the minor child before 7 and after separation;

(2) the desires of the child's parents as to custody or residency;

9 (3) the desires of a child of sufficient age and maturity as to the 10 child's custody or residency;

(4) the age of the child:

(5) the emotional and physical needs of the child;

(6) the interaction and interrelationship of the child with parents, 13 siblings and any other person who may significantly affect the child's best 14 15 interests:

(7) the child's adjustment to the child's home, school and community;

17 (8) the willingness and ability of each parent to respect and appreciate the bond between the child and the other parent and to allow for a 18 19 continuing relationship between the child and the other parent;

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(9) evidence of domestic abuse, including, but not limited to:

(A) A pattern or history of physically or emotionally abusive 21 22 behavior or threat thereof used by one person to gain or maintain 23 domination and control over an intimate partner or household member: or 24

(B) an act of domestic violence, stalking or sexual assault;

25 (10) the ability of the parties to communicate, cooperate and manage 26 parental duties:

27 (11)the school activity schedule of the child;

28 the work schedule of the parties; (12)

29 (13) the location of the parties' residences and places of employment;

the location of the child's school; 30 (14)

(15) whether a parent is subject to the registration requirements of the 31 Kansas offender registration act, K.S.A. 22-4901 et seq., and amendments 32 33 thereto, or any similar act in any other state, or under military or federal 34 law:

35 (16) whether a parent has been convicted of abuse of a child, K.S.A. 36 21-3609, prior to its repeal, or K.S.A. 2020 Supp. 21-5602, and 37 amendments thereto:

38 (17) whether a parent is residing with an individual who is subject to 39 registration requirements of the Kansas offender registration act, K.S.A. 40 22-4901 et seq., and amendments thereto, or any similar act in any other 41 state, or under military or federal law; and

42 (18) whether a parent is residing with an individual who has been convicted of abuse of a child, K.S.A. 21-3609, prior to its repeal, or K.S.A. 43

1 2020 Supp. 21-5602, and amendments thereto.

2 (b) To aid in determining the issue of legal custody, residency and 3 parenting time of a child, the court may order a parent to undergo a 4 domestic violence offender assessment conducted by a certified batterer 5 intervention program and may order such parent to follow all 6 recommendations made by such program.

7 (c) In determining the issue of legal custody, residency and parenting 8 time, the court shall not consider the fact that a parent or a child 9 consumes medical marijuana in accordance with the Kansas medical 10 marijuana regulation act.

Sec. 76. On and after July 1, 2023, K.S.A. 2020 Supp. 38-2269 is hereby amended to read as follows: 38-2269. (a) When the child has been adjudicated to be a child in need of care, the court may terminate parental rights or appoint a permanent custodian when the court finds by clear and convincing evidence that the parent is unfit by reason of conduct or condition which renders the parent unable to care properly for a child and the conduct or condition is unlikely to change in the foreseeable future.

(b) In making a determination of unfitness the court shall consider,but is not limited to, the following, if applicable:

(1) Emotional illness, mental illness, mental deficiency or physical
 disability of the parent, of such duration or nature as to render the parent
 unable to care for the ongoing physical, mental and emotional needs of the
 child;

(2) conduct toward a child of a physically, emotionally or sexuallycruel or abusive nature;

(3) the use of intoxicating liquors or narcotic or dangerous drugs of such duration or nature as to render the parent unable to care for the ongoing physical, mental or emotional needs of the child, *except the use of medical marijuana in accordance with the Kansas medical marijuana regulation act shall not be considered to render the parent unable to care for the ongoing physical, mental or emotional needs of the child*;

(4) physical, mental or emotional abuse or neglect or sexual abuse ofa child;

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(5) conviction of a felony and imprisonment;

35 (6) unexplained injury or death of another child or stepchild of the 36 parent or any child in the care of the parent at the time of injury or death;

37 (7) failure of reasonable efforts made by appropriate public or private38 agencies to rehabilitate the family;

(8) lack of effort on the part of the parent to adjust the parent'scircumstances, conduct or conditions to meet the needs of the child; and

(9) whether, as a result of the actions or inactions attributable to the
parent and one or more of the factors listed in subsection (c) apply, the
child has been in the custody of the secretary and placed with neither

1 parent for 15 of the most recent 22 months beginning 60 days after the 2 date on which a child in the secretary's custody was removed from the 3 child's home.

4 (c) In addition to the foregoing, when a child is not in the physical 5 custody of a parent, the court, shall consider, but is not limited to, the 6 following:

7 (1) Failure to assure care of the child in the parental home when able 8 to do so;

9 (2) failure to maintain regular visitation, contact or communication 10 with the child or with the custodian of the child;

(3) failure to carry out a reasonable plan approved by the courtdirected toward the integration of the child into a parental home; and

(4) failure to pay a reasonable portion of the cost of substitutephysical care and maintenance based on ability to pay.

In making the above determination, the court may disregard incidentalvisitations, contacts, communications or contributions.

17 (d) A finding of unfitness may be made as provided in this section if 18 the court finds that the parents have abandoned the child, the custody of 19 the child was surrendered pursuant to K.S.A. 2020 Supp. 38-2282, and 20 amendments thereto, or the child was left under such circumstances that 21 the identity of the parents is unknown and cannot be ascertained, despite 22 diligent searching, and the parents have not come forward to claim the 23 child within three months after the child is found.

(e) If a person is convicted of a felony in which sexual intercourse
occurred, or if a juvenile is adjudicated a juvenile offender because of an
act which, if committed by an adult, would be a felony in which sexual
intercourse occurred, and as a result of the sexual intercourse, a child is
conceived, a finding of unfitness may be made.

(f) The existence of any one of the above factors standing alone may,
but does not necessarily, establish grounds for termination of parental
rights.

32 (g) (1) If the court makes a finding of unfitness, the court shall 33 consider whether termination of parental rights as requested in the petition 34 or motion is in the best interests of the child. In making the determination, 35 the court shall give primary consideration to the physical, mental and 36 emotional health of the child. If the physical, mental or emotional needs of 37 the child would best be served by termination of parental rights, the court 38 shall so order. A termination of parental rights under the code shall not 39 terminate the right of a child to inherit from or through a parent. Upon 40 such termination all rights of the parent to such child, including, such 41 parent's right to inherit from or through such child, shall cease.

42 (2) If the court terminates parental rights, the court may authorize 43 adoption pursuant to K.S.A. 2020 Supp. 38-2270, and amendments thereto, appointment of a permanent custodian pursuant to K.S.A. 2020
 Supp. 38-2272, and amendments thereto, or continued permanency
 planning.

4 (3) If the court does not terminate parental rights, the court may 5 authorize appointment of a permanent custodian pursuant to K.S.A. 2020 6 Supp. 38-2272, and amendments thereto, or continued permanency 7 planning.

8 (h) If a parent is convicted of an offense as provided in K.S.A. 2020 9 Supp. 38-2271(a)(7), and amendments thereto, or is adjudicated a juvenile 10 offender because of an act which if committed by an adult would be an 11 offense as provided in K.S.A. 2020 Supp. 38-2271(a)(7), and amendments 12 thereto, and if the victim was the other parent of a child, the court may 13 disregard such convicted or adjudicated parent's opinions or wishes in 14 regard to the placement of such child.

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(i) A record shall be made of the proceedings.

(j) When adoption, proceedings to appoint a permanent custodian or
 continued permanency planning has been authorized, the person or agency
 awarded custody of the child shall within 30 days submit a written plan for
 permanent placement which shall include measurable objectives and time
 schedules.

21 Sec. 77. K.S.A. 2020 Supp. 39-7,160 is hereby amended to read as 22 follows: 39-7,160. (a) There is hereby established the Robert G. (Bob) 23 Bethell joint committee on home and community based services and 24 KanCare oversight. The joint committee shall review the number of 25 individuals who are transferred from state or private institutions and longterm care facilities to the home and community based services and the 26 27 associated cost savings and other outcomes of the money-follows-the-28 person program. The joint committee shall review the funding targets recommended by the interim report submitted for the 2007 legislature by 29 30 the joint committee on legislative budget and use them as guidelines for 31 future funding planning and policy making. The joint committee shall have 32 oversight of savings resulting from the transfer of individuals from state or 33 private institutions to home and community based services. As used in 34 K.S.A. 2020 Supp. 39-7,159 through 39-7,162, and amendments thereto, 35 "savings" means the difference between the average cost of providing 36 services for individuals in an institutional setting and the cost of providing 37 services in a home and community based setting. The joint committee shall 38 study and determine the effectiveness of the program and cost-analysis of 39 the state institutions or long-term care facilities based on the success of the 40 transfer of individuals to home and community based services. The joint 41 committee shall consider the issues of whether sufficient funding is provided for enhancement of wages and benefits of direct individual care 42 43 workers and their staff training and whether adequate progress is being 1 made to transfer individuals from the institutions and to move them from

2 the waiver waiting lists to receive home and community based services. 3 The joint committee shall review and ensure that any proceeds resulting 4 from the successful transfer be applied to the system of provision of 5 services for long-term care and home and community based services. The 6 joint committee shall monitor and study the implementation and operations 7 of the home and community based service programs, the children's health 8 insurance program, the program for the all-inclusive care of the elderly 9 and the state medicaid programs including, but not limited to, access to 10 and quality of services provided and any financial information and budgetary issues. Any state agency shall provide data and information on 11 12 KanCare programs, including, but not limited to, pay for performance 13 measures, quality measures and enrollment and disenrollment in specific plans, KanCare provider network data and appeals and grievances made to 14 15 the KanCare ombudsman, to the joint committee, as requested.

16 (b) The joint committee shall consist of 11 members of the legislature 17 appointed as follows:

18 (1) Two members of the house committee on health and human 19 services appointed by the speaker of the house of representatives;

20 (2) one member of the house committee on health and human 21 services appointed by the minority leader of the house of representatives;

22 (3) two members of the senate committee on public health and 23 welfare appointed by the president of the senate;

24 (4) one member of the senate committee on public health and welfare 25 appointed by the minority leader of the senate;

26 (5) two members of the house of representatives appointed by the 27 speaker of the house of representatives, one of whom shall be a member of 28 the house committee on appropriations;

29 (6) one member of the house of representatives appointed by the 30 minority leader of the house of representatives; and

31 (7) two members of the senate appointed by the president of the 32 senate, one of whom shall be a member of the senate committee on ways 33 and means

34 (c) Members shall be appointed for terms coinciding with the 35 legislative terms for which such members are elected or appointed. All 36 members appointed to fill vacancies in the membership of the joint 37 committee and all members appointed to succeed members appointed to 38 membership on the joint committee shall be appointed in the manner 39 provided for the original appointment of the member succeeded.

40 (d) (1) The members originally appointed as members of the joint 41 committee shall meet upon the call of the member appointed by the 42 speaker of the house of representatives, who shall be the first chairperson, 43 within 30 days of the effective date of this act. The vice-chairperson of the

joint committee shall be appointed by the president of the senate. 1 2 Chairperson and vice-chairperson shall alternate annually between the 3 members appointed by the speaker of the house of representatives and the 4 president of the senate. The ranking minority member shall be from the same chamber as the chairperson. On and after the effective date of this 5 6 actExcept as provided in paragraph (2), the joint committee shall meet at 7 least once in January and once in April when the legislature is in regular 8 session and at least once for two consecutive days during each of the third and fourth calendar quarters, on the call of the chairperson, but not to 9 10 exceed six meetings in a calendar year, except additional meetings may be held on call of the chairperson when urgent circumstances exist which 11 12 require such meetings. Six members of the joint committee shall constitute 13 a quorum.

14 (2) During calendar year 2022 and calendar year 2023, the joint 15 committee shall meet for one additional day per meeting in order to 16 monitor the implementation of the Kansas innovative solutions for 17 affordable healthcare act and to review the following topics relating to 18 such implementation:

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(A) Payment integrity and eligibility audits;

(B) baseline and trend data detailing the amounts that hospitals are
paid from commercial insurance plans as a percentage of medicare
allowable rates established by the United States centers for medicare and
medicaid services;

(C) outcomes related to section 3, and amendments thereto;

(D) health outcomes for individuals covered under the act; budget
 projections and actual expenditures related to implementation of the act;
 and

(E) expenses incurred by hospitals arising from charity care and
 services provided to patients who are unwilling or unable to pay for such
 services.

31 (e) (1) At the beginning of each regular session of the legislature, the 32 committee shall submit to the president of the senate, the speaker of the 33 house of representatives, the house committee on health and human 34 services and the senate committee on public health and welfare a written 35 report on numbers of individuals transferred from the state or private 36 institutions to the home and community based services including the 37 average daily census in the state institutions and long-term care facilities, 38 savings resulting from the transfer certified by the secretary for aging and 39 disability services in a quarterly report filed in accordance with K.S.A. 40 2020 Supp. 39-7,162, and amendments thereto, and the current balance in the home and community based services savings fund of the Kansas 41 department for aging and disability services. 42

43 (2) Such report submitted under this subsection shall also include, but

1 not be limited to, the following information on the KanCare program:

2 (A) Quality of care and health outcomes of individuals receiving state 3 medicaid services under the KanCare program, as compared to the 4 provision of state medicaid services prior to January 1, 2013;

5 (B) integration and coordination of health care procedures for 6 individuals receiving state medicaid services under the KanCare program;

7 (C) availability of information to the public about the provision of 8 state medicaid services under the KanCare program, including, but not 9 limited to, accessibility to health services, expenditures for health services, 10 extent of consumer satisfaction with health services provided and 11 grievance procedures, including quantitative case data and summaries of 12 case resolution by the KanCare ombudsman;

(D) provisions for community outreach and efforts to promote thepublic understanding of the KanCare program;

15 (E) comparison of the actual medicaid costs expended in providing 16 state medicaid services under the KanCare program after January 1, 2013, 17 to the actual costs expended under the provision of state medicaid services 18 prior to January 1, 2013, including the manner in which such cost 19 expenditures are calculated;

(F) comparison of the estimated costs expended in a managed care
system of providing state medicaid services under the KanCare program
after January 1, 2013, to the actual costs expended under the KanCare
program of providing state medicaid services after January 1, 2013;

(G) comparison of caseload information for individuals receiving
 state medicaid services prior to January 1, 2013, to the caseload
 information for individuals receiving state medicaid services under the
 KanCare program after January 1, 2013; and

(H) all written testimony provided to the joint committee regarding
 the impact of the provision of state medicaid services under the KanCare
 program upon residents of adult care homes.

(3) The joint committee shall consider the external quality review
reports and quality assessment and performance improvement program
plans of each managed care organization providing state medicaid services
under the KanCare program in the development of the report submitted
under this subsection.

36 (4) The report submitted under this subsection shall be published on37 the official website of the legislative research department.

(f) Members of the committee shall have access to any medical assistance report and caseload data generated by the Kansas department of health and environment division of health care finance. Members of the committee shall have access to any report submitted by the Kansas department of health and environment division of health care finance to the centers for medicare and medicaid services of the United States 1 department of health and human services.

2 (g) Members of the committee shall be paid compensation, travel 3 expenses and subsistence expenses or allowance as provided in K.S.A. 75-3212, and amendments thereto, for attendance at any meeting of the joint 5 committee or any subcommittee meeting authorized by the committee.

6 (h) In accordance with K.S.A. 46-1204, and amendments thereto, the 7 legislative coordinating council may provide for such professional services 8 as may be requested by the joint committee.

9 (i) The joint committee may make recommendations and introduce 10 legislation as it deems necessary in performing its functions.

Sec. 78. K.S.A. 2020 Supp. 40-3213 is hereby amended to read as follows: 40-3213. (a) Every health maintenance organization and medicare provider organization subject to this act shall pay to the commissioner the following fees:

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(1) For filing an application for a certificate of authority, \$150;

(2) for filing each annual report, \$50; and

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(3) for filing an amendment to the certificate of authority, \$10.

(b) Every health maintenance organization subject to this act shall 18 19 pay annually to the commissioner at the time such organization files its annual report, a privilege fee in an amount equal to the following-20 21 percentages 5.77% of the total of all premiums, subscription charges or 22 any other term that may be used to describe the charges made by such 23 organization to enrollees: 3.31% during the reporting period beginning-January 1, 2015, and ending December 31, 2017; and 5.77% on and after 24 25 January 1, 2018. In such computations all such organizations shall be 26 entitled to deduct therefrom any premiums or subscription charges 27 returned on account of cancellations and dividends returned to enrollees. If 28 the commissioner shall determine at any time that the application of the 29 privilege fee, or a change in the rate of the privilege fee, would cause a 30 denial of, reduction in or elimination of federal financial assistance to the 31 state or to any health maintenance organization subject to this act, the commissioner is hereby authorized to terminate the operation of such 32 33 privilege fee or the change in such privilege fee.

34 (c) For the purpose of insuring the collection of the privilege fee 35 provided for by subsection (b), every health maintenance organization 36 subject to this act and required by subsection (b) to pay such privilege fee 37 shall at the time it files its annual report, as required by K.S.A. 40-3220, 38 and amendments thereto, make a return, generated by or at the direction of 39 its chief officer or principal managing director, under penalty of K.S.A. 40 2020 Supp. 21-5824, and amendments thereto, to the commissioner, 41 stating the amount of all premiums, assessments and charges received by 42 the health maintenance organization, whether in cash or notes, during the 43 year ending on the last day of the preceding calendar year. Upon the

receipt of such returns the commissioner of insurance shall verify such
 returns and reconcile the fees pursuant to subsection (f) upon such
 organization on the basis and at the rate provided in this section.

4 (d) Premiums or other charges received by an insurance company 5 from the operation of a health maintenance organization subject to this act 6 shall not be subject to any fee or tax imposed under the provisions of 7 K.S.A. 40-252, and amendments thereto.

8 (e) *Except as provided in section 56, and amendments thereto,* fees 9 charged under this section shall be remitted to the state treasurer in 10 accordance with the provisions of K.S.A. 75-4215, and amendments 11 thereto. Upon receipt of each such remittance, the state treasurer shall 12 deposit the entire amount in the state treasury to the credit of the medical 13 assistance fee fund created by K.S.A. 2020 Supp. 40-3236, and 14 amendments thereto.

15 (f) (1) On and after January 1, 2018. In addition to any other filing or 16 return required by this section, each health maintenance organization shall 17 submit a report to the commissioner on or before March 31 and September 18 30 of each year containing an estimate of the total amount of all premiums, 19 subscription charges or any other term that may be used to describe the 20 charges made by such organization to enrollees that the organization 21 expects to collect during the current calendar year. Upon filing each March 22 31 report, the organization shall submit payment equal to  $\frac{1}{2}$  of the 23 privilege fee that would be assessed by the commissioner for the current 24 calendar year based upon the organization's reported estimate. Upon filing 25 each September 30 report, the organization shall submit payment equal to the balance of the privilege fee that would be assessed by the 26 27 commissioner for the current calendar year based upon the organization's 28 reported estimates.

(2) Any amount of privilege fees actually owed by a health
maintenance organization during any calendar year in excess of estimated
privilege fees paid shall be assessed by the commissioner and shall be due
and payable upon issuance of such assessment.

33 (3) Any amount of estimated privilege fees paid by a health 34 maintenance organization during any calendar year in excess of privilege 35 fees actually owed shall be reconciled when the commissioner assesses 36 privilege fees in the ensuing calendar year. The commissioner shall credit 37 such excess amount against future privilege fee assessments. Any such 38 excess amount paid by a health maintenance organization that is no longer 39 doing business in Kansas and that no longer has a duty to pay the privilege 40 fee shall be refunded by the commissioner from funds appropriated by the 41 legislature for such purpose.

42 Sec. 79. On and after July 1, 2023, K.S.A. 2020 Supp. 44-501 is 43 hereby amended to read as follows: 44-501. (a) (1) Compensation for an 1 injury shall be disallowed if such injury to the employee results from:

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(A) The employee's deliberate intention to cause such injury;

3 (B) the employee's willful failure to use a guard or protection against 4 accident or injury which is required pursuant to any statute and provided 5 for the employee;

6 (C) the employee's willful failure to use a reasonable and proper 7 guard and protection voluntarily furnished the employee by the employer;

8 (D) the employee's reckless violation of their employer's workplace 9 safety rules or regulations; or

10 (E) the employee's voluntary participation in fighting or horseplay 11 with a co-employee for any reason, work related or otherwise.

12 (2) Subparagraphs (B) and (C) of paragraph (1) of subsection-13 (a) Subsections (a)(1)(B) and (a)(1)(C) shall not apply when it was 14 reasonable under the totality of the circumstances to not use such 15 equipment, or if the employer approved the work engaged in at the time of 16 an accident or injury to be performed without such equipment.

17 (b) (1) (A) The employer shall not be liable under the workers 18 compensation act where the injury, disability or death was contributed to 19 by the employee's use or consumption of alcohol or any drugs, chemicals 20 or any other compounds or substances, including, but not limited to, any 21 drugs or medications-which that are available to the public without a 22 prescription from a health care provider, prescription drugs or medications, 23 any form or type of narcotic drugs, marijuana, stimulants, depressants or 24 hallucinogens.

(B) (*i*) In the case of drugs or medications which are available to the public without a prescription from a health care provider and prescription drugs or medications, compensation shall not be denied if the employee can show that such drugs or medications were being taken or used in therapeutic doses and there have been no prior incidences of the employee's impairment on the job as the result of the use of such drugs or medications within the previous 24 months.

32 (ii) In the case of marijuana or any other form of cannabis, including 33 any cannabis derivatives, compensation shall not be denied if the 34 employee is registered as a patient pursuant to section 8, and amendments 35 thereto, such cannabis or cannabis derivative was used in accordance 36 with the Kansas medical marijuana regulation act, section 1 et seq., and 37 amendments thereto, and there has been no prior incidence of the 38 employee's impairment on the job as a result of the use of such marijuana, 39 cannabis or cannabis derivative within the previous 24 months.

40 (C) It shall be conclusively presumed that the employee was impaired 41 due to alcohol or drugs if it is shown that, at the time of the injury, the 42 employee had an alcohol concentration of .04 or more, or a GCMS 43 confirmatory test by quantitative analysis showing a concentration at or

1 2 3 4	above the levels shown on the following chart for the drugs of abuse listed: Confirmatory test cutoff levels (ng/ml)
5	Marijuana metabolite <sup>1</sup> 15
6	Cocaine metabolite <sup>2</sup>
7	Opiates:
8	Morphine
9	Codeine
10	6-Acetylmorphine <sup>43</sup> 10 ng/ml
11	Phencyclidine
12	Amphetamines:
13	Âmphetamine
14	Methamphetamine <sup>34</sup>
15	<sup>1</sup> Delta-9-tetrahydrocannabinol-9-carboxylic acid.
16	<sup>2</sup> Benzoylecgonine.
17	<sup>3</sup> Specimen must also contain amphetamine at a concentration greater
18	than or equal to 200 ng/ml.
19	<sup>4</sup> Test for 6-AM when morphine concentration exceeds 2,000 ng/ml.
20	<sup>4</sup> Specimen must also contain amphetamine at a concentration greater
21	than or equal to 200 ng/ml.
22	(D) If it is shown that the employee was impaired pursuant to
23	subsection $(b)(1)(C)$ at the time of the injury, there shall be a rebuttable
24	presumption that the accident, injury, disability or death was contributed to
25	by such impairment. The employee may overcome the presumption of
26	contribution by clear and convincing evidence.
27	(E) An employee's refusal to submit to a chemical test at the request
28	of the employer shall result in the forfeiture of benefits under the workers
29	compensation act if the employer had sufficient cause to suspect the use of
30	alcohol or drugs by the claimant or if the employer's policy clearly
31	authorizes post-injury testing.
32	(2) The results of a chemical test shall be admissible evidence to
33	prove impairment if the employer establishes that the testing was done
34	under any of the following circumstances:
35	(A) As a result of an employer mandated drug testing policy, in place
36	in writing prior to the date of accident or injury, requiring any worker to
37	submit to testing for drugs or alcohol;
38	(B) during an autopsy or in the normal course of medical treatment
39	for reasons related to the health and welfare of the injured worker and not
40	at the direction of the employer;
41	(C) the worker, prior to the date and time of the accident or injury,
42	gave written consent to the employer that the worker would voluntarily
43	submit to a chemical test for drugs or alcohol following any accident or

1 injury;

2 (D) the worker voluntarily agrees to submit to a chemical test for 3 drugs or alcohol following any accident or injury; or

4 (E) as a result of federal or state law or a federal or state rule or 5 regulation having the force and effect of law requiring a post-injury testing 6 program and such required program was properly implemented at the time 7 of testing.

8 (3) Notwithstanding subsection (b)(2), the results of a chemical test 9 performed on a sample collected by an employer shall not be admissible 10 evidence to prove impairment unless the following conditions are met:

(A) The test sample was collected within a reasonable time followingthe accident or injury;

(B) the collecting and labeling of the test sample was performed by orunder the supervision of a licensed health care professional;

15 (C) the test was performed by a laboratory approved by the United 16 States department of health and human services or licensed by the 17 department of health and environment, except that a blood sample may be 18 tested for alcohol content by a laboratory commonly used for that purpose 19 by state law enforcement agencies;

20 (D) the test was confirmed by gas chromatography-mass 21 spectroscopy or other comparably reliable analytical method, except that 22 no such confirmation is required for a blood alcohol sample;

(E) the foundation evidence must establish, beyond a reasonable
 doubt, that the test results were from the sample taken from the employee;
 and

26 (F) a split sample sufficient for testing shall be retained and made 27 available to the employee within 48 hours of a positive test.

(c) (1) Except as provided in paragraph (2), compensation shall not
 be paid in case of coronary or coronary artery disease or cerebrovascular
 injury unless it is shown that the exertion of the work necessary to
 precipitate the disability was more than the employee's usual work in the
 course of the employee's regular employment.

(2) For events occurring on or after July 1, 2014, in the case of a
firefighter as defined by K.S.A. 40-1709(b)(1), and amendments thereto,
or a law enforcement officer as defined by K.S.A. 74-5602, and
amendments thereto, coronary or coronary artery disease or
cerebrovascular injury shall be compensable if:

(A) The injury can be identified as caused by a specific eventoccurring in the course and scope of employment;

40 (B) the coronary or cerebrovascular injury occurred within 24 hours 41 of the specific event; and

42 (C) the specific event was the prevailing factor in causing the 43 coronary or coronary artery disease or cerebrovascular injury. 1

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(d) Except as provided in the workers compensation act, no construction design professional who is retained to perform professional services on a construction project or any employee of a construction design professional who is assisting or representing the construction design professional in the performance of professional services on the site of the construction project, shall be liable for any injury resulting from the employer's failure to comply with safety standards on the construction project for which compensation is recoverable under the workers compensation act unless responsibility for safety practices is specifically

9 compensation act, unless responsibility for safety practices is specifically 10 assumed by contract. The immunity provided by this subsection to any 11 construction design professional shall not apply to the negligent 12 preparation of design plans or specifications.

(e) An award of compensation for permanent partial impairment,
work disability, or permanent total disability shall be reduced by the
amount of functional impairment determined to be preexisting. Any such
reduction shall not apply to temporary total disability, nor shall it apply to
compensation for medical treatment.

(1) Where workers compensation benefits have previously been 18 19 awarded through settlement or judicial or administrative determination in Kansas, the percentage basis of the prior settlement or award shall 20 21 conclusively establish the amount of functional impairment determined to 22 be preexisting. Where workers compensation benefits have not previously 23 been awarded through settlement or judicial or administrative 24 determination in Kansas, the amount of preexisting functional impairment 25 shall be established by competent evidence.

26 (2) In all cases, the applicable reduction shall be calculated as 27 follows:

28 (A) If the preexisting impairment is the result of injury sustained 29 while working for the employer against whom workers compensation benefits are currently being sought, any award of compensation shall be 30 31 reduced by the current dollar value attributable under the workers 32 compensation act to the percentage of functional impairment determined to 33 be preexisting. The "current dollar value" shall be calculated by 34 multiplying the percentage of preexisting impairment by the compensation 35 rate in effect on the date of the accident or injury against which the 36 reduction will be applied.

(B) In all other cases, the employer against whom benefits are
 currently being sought shall be entitled to a credit for the percentage of
 preexisting impairment.

(f) If the employee receives, whether periodically or by lump sum,
retirement benefits under the federal social security act or retirement
benefits from any other retirement system, program, policy or plan which
is provided by the employer against which the claim is being made, any

1 compensation benefit payments which the employee is eligible to receive

2 under the workers compensation act for such claim shall be reduced by the 3 weekly equivalent amount of the total amount of all such retirement 4 benefits, less any portion of any such retirement benefit, other than retirement benefits under the federal social security act, that is attributable 5 6 to payments or contributions made by the employee, but in no event shall 7 the workers compensation benefit be less than the workers compensation 8 benefit payable for the employee's percentage of functional impairment. 9 Where the employee elects to take retirement benefits in a lump sum, the 10 lump sum payment shall be amortized at the rate of 4% per year over the employee's life expectancy to determine the weekly equivalent value of the 11 12 benefits

Sec. 80. On and after July 1, 2023, K.S.A. 2020 Supp. 44-706 is hereby amended to read as follows: 44-706. The secretary shall examine whether an individual has separated from employment for each week claimed. The secretary shall apply the provisions of this section to the individual's most recent employment prior to the week claimed. An individual shall be disqualified for benefits:

19 (a) If the individual left work voluntarily without good cause 20 attributable to the work or the employer, subject to the other provisions of 21 this subsection. For purposes of this subsection, "good cause" is cause of 22 such gravity that would impel a reasonable, not supersensitive, individual 23 exercising ordinary common sense to leave employment. Good cause 24 requires a showing of good faith of the individual leaving work, including 25 the presence of a genuine desire to work. Failure to return to work after 26 expiration of approved personal or medical leave, or both, shall be 27 considered a voluntary resignation. After a temporary job assignment, 28 failure of an individual to affirmatively request an additional assignment on the next succeeding workday, if required by the employment 29 30 agreement, after completion of a given work assignment, shall constitute 31 leaving work voluntarily. The disgualification shall begin the day 32 following the separation and shall continue until after the individual has 33 become reemployed and has had earnings from insured work of at least 34 three times the individual's weekly benefit amount. An individual shall not 35 be disqualified under this subsection if:

36 (1) The individual was forced to leave work because of illness or 37 injury upon the advice of a licensed and practicing health care provider 38 and, upon learning of the necessity for absence, immediately notified the 39 employer thereof, or the employer consented to the absence, and after 40 recovery from the illness or injury, when recovery was certified by a 41 practicing health care provider, the individual returned to the employer and 42 offered to perform services and the individual's regular work or 43 comparable and suitable work was not available. As used in this paragraph "health care provider" means any person licensed by the proper licensing
 authority of any state to engage in the practice of medicine and surgery,
 osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

4 (2) the individual left temporary work to return to the regular 5 employer;

6 (3) the individual left work to enlist in the armed forces of the United 7 States, but was rejected or delayed from entry;

8 (4) the spouse of an individual who is a member of the armed forces 9 of the United States who left work because of the voluntary or involuntary 10 transfer of the individual's spouse from one job to another job, which is for the same employer or for a different employer, at a geographic location 11 which makes it unreasonable for the individual to continue work at the 12 13 individual's job. For the purposes of this provision the term "armed forces" 14 means active duty in the army, navy, marine corps, air force, coast guard or 15 any branch of the military reserves of the United States;

16 (5) the individual left work because of hazardous working conditions; 17 in determining whether or not working conditions are hazardous for an 18 individual, the degree of risk involved to the individual's health, safety and 19 morals, the individual's physical fitness and prior training and the working 20 conditions of workers engaged in the same or similar work for the same 21 and other employers in the locality shall be considered; as used in this 22 paragraph, "hazardous working conditions" means working conditions that 23 could result in a danger to the physical or mental well-being of the 24 individual; each determination as to whether hazardous working 25 conditions exist shall include, but shall not be limited to, a consideration of: (A) The safety measures used or the lack thereof; and (B) the condition 26 27 of equipment or lack of proper equipment; no work shall be considered 28 hazardous if the working conditions surrounding the individual's work are 29 the same or substantially the same as the working conditions generally prevailing among individuals performing the same or similar work for 30 31 other employers engaged in the same or similar type of activity;

(6) the individual left work to enter training approved under section 236(a)(1) of the federal trade act of 1974, provided the work left is not of a substantially equal or higher skill level than the individual's past adversely affected employment, as defined for purposes of the federal trade act of 1974, and wages for such work are not less than 80% of the individual's average weekly wage as determined for the purposes of the federal trade act of 1974;

(7) the individual left work because of unwelcome harassment of the
individual by the employer or another employee of which the employing
unit had knowledge and that would impel the average worker to give up
such worker's employment;

43 (8) the individual left work to accept better work; each determination

1 as to whether or not the work accepted is better work shall include, but 2 shall not be limited to, consideration of:

3 (A) The rate of pay, the hours of work and the probable permanency 4 of the work left as compared to the work accepted;

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(B) the cost to the individual of getting to the work left in comparison 6 to the cost of getting to the work accepted; and

7 (C) the distance from the individual's place of residence to the work 8 accepted in comparison to the distance from the individual's residence to 9 the work left:

10 (9) the individual left work as a result of being instructed or requested by the employer, a supervisor or a fellow employee to perform a service or 11 commit an act in the scope of official job duties which is in violation of an 12 13 ordinance or statute;

(10) the individual left work because of a substantial violation of the 14 work agreement by the employing unit and, before the individual left, the 15 16 individual had exhausted all remedies provided in such agreement for the settlement of disputes before terminating. For the purposes of this 17 paragraph, a demotion based on performance does not constitute a 18 19 violation of the work agreement;

(11) after making reasonable efforts to preserve the work, the 20 21 individual left work due to a personal emergency of such nature and 22 compelling urgency that it would be contrary to good conscience to 23 impose a disqualification; or

24 (12) (A) the individual left work due to circumstances resulting from 25 domestic violence, including:

26 (i) The individual's reasonable fear of future domestic violence at or 27 en route to or from the individual's place of employment;

28 (ii) the individual's need to relocate to another geographic area in 29 order to avoid future domestic violence:

(iii) the individual's need to address the physical, psychological and 30 31 legal impacts of domestic violence;

32 (iv) the individual's need to leave employment as a condition of 33 receiving services or shelter from an agency which provides support 34 services or shelter to victims of domestic violence; or

35 (v) the individual's reasonable belief that termination of employment 36 is necessary to avoid other situations which may cause domestic violence 37 and to provide for the future safety of the individual or the individual's 38 family.

39 (B) An individual may prove the existence of domestic violence by 40 providing one of the following:

41 (i) A restraining order or other documentation of equitable relief by a 42 court of competent jurisdiction;

43 (ii) a police record documenting the abuse;

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1 (iii) documentation that the abuser has been convicted of one or more 2 of the offenses enumerated in articles 34 and 35 of chapter 21 of the 3 Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of 4 chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2020 Supp. 21-5 6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments 6 thereto, where the victim was a family or household member;

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(iv) medical documentation of the abuse;

8 (v) a statement provided by a counselor, social worker, health care 9 provider, clergy, shelter worker, legal advocate, domestic violence or 10 sexual assault advocate or other professional who has assisted the 11 individual in dealing with the effects of abuse on the individual or the 12 individual's family; or

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(vi) a sworn statement from the individual attesting to the abuse.

14 (C) No evidence of domestic violence experienced by an individual, 15 including the individual's statement and corroborating evidence, shall be 16 disclosed by the department of labor unless consent for disclosure is given 17 by the individual.

18 (b) If the individual has been discharged or suspended for misconduct 19 connected with the individual's work. The disgualification shall begin the 20 day following the separation and shall continue until after the individual 21 becomes reemployed and in cases where the disqualification is due to 22 discharge for misconduct has had earnings from insured work of at least 23 three times the individual's determined weekly benefit amount, except that 24 if an individual is discharged for gross misconduct connected with the 25 individual's work, such individual shall be disqualified for benefits until 26 such individual again becomes employed and has had earnings from 27 insured work of at least eight times such individual's determined weekly 28 benefit amount. In addition, all wage credits attributable to the employment from which the individual was discharged for gross 29 30 misconduct connected with the individual's work shall be canceled. No 31 such cancellation of wage credits shall affect prior payments made as a 32 result of a prior separation.

(1) (A) For the purposes of this subsection, "misconduct" is defined as
a violation of a duty or obligation reasonably owed the employer as a
condition of employment including, but not limited to, a violation of a
company rule, including a safety rule, if:

(A)(i) The individual knew or should have known about the rule;

(B)(ii) the rule was lawful and reasonably related to the job; and

(C)(iii) the rule was fairly and consistently enforced.

40 *(B)* The term "misconduct" does not include any violation of a duty, 41 obligation or company rule, if:

42 *(i)* The individual is a registered patient pursuant to section 8, and 43 amendments thereto; and (ii) the basis for the violation is the possession of an identification
 card issued under section 8, and amendments thereto, or the possession or
 use of medical marijuana in accordance with the Kansas medical
 marijuana regulation act, section 1 et seq., and amendments thereto.

5 (2) (A) Failure of the employee to notify the employer of an absence 6 and an individual's leaving work prior to the end of such individual's 7 assigned work period without permission shall be considered prima facie 8 evidence of a violation of a duty or obligation reasonably owed the 9 employer as a condition of employment.

(B) For the purposes of this subsection, misconduct shall include, but
 not be limited to, violation of the employer's reasonable attendance
 expectations if the facts show:

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(i) The individual was absent or tardy without good cause;

14 (ii) the individual had knowledge of the employer's attendance 15 expectation; and

(iii) the employer gave notice to the individual that future absence ortardiness may or will result in discharge.

18 (C) For the purposes of this subsection, if an employee disputes being 19 absent or tardy without good cause, the employee shall present evidence 20 that a majority of the employee's absences or tardiness were for good 21 cause. If the employee alleges that the employee's repeated absences or 22 tardiness were the result of health related issues, such evidence shall 23 include documentation from a licensed and practicing health care provider 24 as defined in subsection (a)(1).

(3) (A) (i) The term "gross misconduct" as used in this subsection
shall be construed to mean conduct evincing extreme, willful or wanton
misconduct as defined by this subsection. Gross misconduct shall include,
but not be limited to:

29 (i)(a) Theft;

30 (ii)(b) fraud;

31 (iii)(c) intentional damage to property;

32 (iv)(d) intentional infliction of personal injury; or

33 (v)(e) any conduct that constitutes a felony.

34 *(ii)* The term "gross misconduct" does not include any conduct of an 35 individual, if:

36 *(a)* The individual is a registered patient pursuant to section 8, and 37 amendments thereto; and

(b) the basis for such conduct is the possession of an identification
card issued under section 8, and amendments thereto, or the possession or
use of medical marijuana in accordance with the Kansas medical
marijuana regulation act, section 1 et seq., and amendments thereto.

42 (B) For the purposes of this subsection, the following shall be 43 conclusive evidence of gross misconduct:

The use of alcoholic liquor, cereal malt beverage or a 1 (i) 2 nonprescribed controlled substance by an individual while working;

(ii) the impairment caused by alcoholic liquor, cereal malt beverage 3 or a nonprescribed controlled substance by an individual while working; 4

5 (iii) a positive breath alcohol test or a positive chemical test, 6 provided: 7

(a) The test was either:

8 (1) Required by law and was administered pursuant to the drug free 9 workplace act, 41 U.S.C. § 701 et seq.;

(2) administered as part of an employee assistance program or other 10 drug or alcohol treatment program in which the employee was 11 participating voluntarily or as a condition of further employment; 12

(3) requested pursuant to a written policy of the employer of which 13 the employee had knowledge and was a required condition of 14 employment; 15

16 (4) required by law and the test constituted a required condition of 17 employment for the individual's job; or

18 (5) there was reasonable suspicion to believe that the individual used, 19 had possession of, or was impaired by alcoholic liquor, cereal malt 20 beverage or a nonprescribed controlled substance while working; 21

(b) the test sample was collected either:

22 (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et 23 seq.;

24 (2) as prescribed by an employee assistance program or other drug or 25 alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment; 26

27 (3) as prescribed by the written policy of the employer of which the 28 employee had knowledge and which constituted a required condition of 29 employment;

30 (4) as prescribed by a test which was required by law and which 31 constituted a required condition of employment for the individual's job; or

32 (5) at a time contemporaneous with the events establishing probable 33 cause:

34 (c) the collecting and labeling of a chemical test sample was 35 performed by a licensed health care professional or any other individual 36 certified pursuant to paragraph (b)(3)(A)(iii)(f) (b)(3)(B)(iii)(f) or 37 authorized to collect or label test samples by federal or state law, or a 38 federal or state rule or regulation having the force or effect of law, 39 including law enforcement personnel;

40 (d) the chemical test was performed by a laboratory approved by the United States department of health and human services or licensed by the 41 department of health and environment, except that a blood sample may be 42 43 tested for alcohol content by a laboratory commonly used for that purpose 1 by state law enforcement agencies;

2 (e) the chemical test was confirmed by gas chromatography, gas 3 chromatography-mass spectroscopy or other comparably reliable 4 analytical method, except that no such confirmation is required for a blood 5 alcohol sample or a breath alcohol test;

6 (f) the breath alcohol test was administered by an individual trained 7 to perform breath tests, the breath testing instrument used was certified 8 and operated strictly according to a description provided by the 9 manufacturers and the reliability of the instrument performance was 10 assured by testing with alcohol standards; and

(g) the foundation evidence establishes, beyond a reasonable doubt,that the test results were from the sample taken from the individual;

(iv) an individual's refusal to submit to a chemical test or breathalcohol test, provided:

(a) The test meets the standards of the drug free workplace act, 41
U.S.C. § 701 et seq.;

17 (b) the test was administered as part of an employee assistance 18 program or other drug or alcohol treatment program in which the 19 employee was participating voluntarily or as a condition of further 20 employment;

(c) the test was otherwise required by law and the test constituted a
 required condition of employment for the individual's job;

(d) the test was requested pursuant to a written policy of the employer
 of which the employee had knowledge and was a required condition of
 employment; or

(e) there was reasonable suspicion to believe that the individual used,
possessed or was impaired by alcoholic liquor, cereal malt beverage or a
nonprescribed controlled substance while working; *or*

(v) an individual's dilution or other tampering of a chemical test.

(C) For purposes of this subsection:

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31 (i) "Alcohol concentration" means the number of grams of alcohol
32 per 210 liters of breath;

(ii) "alcoholic liquor"-shall be defined means the same as provided in
K.S.A. 41-102, and amendments thereto;

(iii) "cereal malt beverage" shall be defined means the same as
provided in K.S.A. 41-2701, and amendments thereto;

(iv) "chemical test" shall include *includes*, but is not limited to, tests
of urine, blood or saliva;

(v) "controlled substance" shall be defined means the same as
 provided in K.S.A. 2020 Supp. 21-5701, and amendments thereto;

(vi) "required by law" means required by a federal or state law, a
federal or state rule or regulation having the force and effect of law, a
county resolution or municipal ordinance, or a policy relating to public

safety adopted in an open meeting by the governing body of any special
 district or other local governmental entity;

"positive breath test"-shall mean means a test result showing an 3 (vii) 4 alcohol concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if applicable, unless the test was administered as part of an 5 6 employee assistance program or other drug or alcohol treatment program 7 in which the employee was participating voluntarily or as a condition of 8 further employment, in which case "positive chemical test"-shall-mean-9 *means* a test result showing an alcohol concentration at or above the levels 10 provided for in the assistance or treatment program;

"positive chemical test"-shall mean means a chemical result 11 (viii) showing a concentration at or above the levels listed in K.S.A. 44-501, and 12 amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or 13 abuse listed therein, unless the test was administered as part of an 14 employee assistance program or other drug or alcohol treatment program 15 16 in which the employee was participating voluntarily or as a condition of further employment, in which case "positive chemical test"-shall-mean-17 means a chemical result showing a concentration at or above the levels 18 19 provided for in the assistance or treatment program.

20 (4) An individual shall not be disqualified under this subsection if the 21 individual is discharged under the following circumstances:

(A) The employer discharged the individual after learning the individual was seeking other work or when the individual gave notice of future intent to quit, except that the individual shall be disqualified after the time at which such individual intended to quit and any individual who commits misconduct after such individual gives notice to such individual's intent to quit shall be disqualified;

(B) the individual was making a good-faith effort to do the assignedwork but was discharged due to:

30 (i) Inefficiency;

(ii) unsatisfactory performance due to inability, incapacity or lack of
 training or experience;

33 34 (iii) isolated instances of ordinary negligence or inadvertence;

(iv) good-faith errors in judgment or discretion; or

(v) unsatisfactory work or conduct due to circumstances beyond the
 individual's control; or

37 (C) the individual's refusal to perform work in excess of the contract38 of hire.

(c) If the individual has failed, without good cause, to either apply for suitable work when so directed by the employment office of the secretary of labor, or to accept suitable work when offered to the individual by the employment office, the secretary of labor, or an employer, such disqualification shall begin with the week in which such failure occurred

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and shall continue until the individual becomes reemployed and has had 1 2 earnings from insured work of at least three times such individual's 3 determined weekly benefit amount. In determining whether or not any 4 work is suitable for an individual, the secretary of labor, or a person or 5 persons designated by the secretary, shall consider the degree of risk 6 involved to health, safety and morals, physical fitness and prior training, 7 experience and prior earnings, length of unemployment and prospects for 8 securing local work in the individual's customary occupation or work for which the individual is reasonably fitted by training or experience, and the 9 distance of the available work from the individual's residence. 10 Notwithstanding any other provisions of this act, an otherwise eligible 11 individual shall not be disqualified for refusing an offer of suitable 12 employment, or failing to apply for suitable employment when notified by 13 14 an employment office, or for leaving the individual's most recent work 15 accepted during approved training, including training approved under 16 section 236(a)(1) of the trade act of 1974, if the acceptance of or applying 17 for suitable employment or continuing such work would require the individual to terminate approved training and no work shall be deemed 18 19 suitable and benefits shall not be denied under this act to any otherwise 20 eligible individual for refusing to accept new work under any of the 21 following conditions:

(1) If the position offered is vacant due directly to a strike, lockout orother labor dispute;

(2) if the remuneration, hours or other conditions of the work offered
are substantially less favorable to the individual than those prevailing for
similar work in the locality;

(3) if as a condition of being employed, the individual would be
 required to join or to resign from or refrain from joining any labor
 organization; and

(4) if the individual left employment as a result of domestic violence,
and the position offered does not reasonably accommodate the individual's
physical, psychological, safety, or legal needs relating to such domestic
violence.

34 (d) For any week with respect to which the secretary of labor, or a 35 person or persons designated by the secretary, finds that the individual's 36 unemployment is due to a stoppage of work which exists because of a 37 labor dispute or there would have been a work stoppage had normal 38 operations not been maintained with other personnel previously and 39 currently employed by the same employer at the factory, establishment or 40 other premises at which the individual is or was last employed, except that 41 this subsection (d) shall not apply if it is shown to the satisfaction of the secretary of labor, or a person or persons designated by the secretary, that: 42

43 (1) The individual is not participating in or financing or directly

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1 interested in the labor dispute which caused the stoppage of work; and

2 (2) the individual does not belong to a grade or class of workers of 3 which, immediately before the commencement of the stoppage, there were 4 members employed at the premises at which the stoppage occurs any of 5 whom are participating in or financing or directly interested in the dispute. 6 If in any case separate branches of work which are commonly conducted 7 as separate businesses in separate premises are conducted in separate 8 departments of the same premises, each such department shall, for the 9 purpose of this subsection be deemed to be a separate factory, establishment or other premises. For the purposes of this subsection, 10 failure or refusal to cross a picket line or refusal for any reason during the 11 12 continuance of such labor dispute to accept the individual's available and 13 customary work at the factory, establishment or other premises where the 14 individual is or was last employed shall be considered as participation and 15 interest in the labor dispute.

16 (e) For any week with respect to which or a part of which the 17 individual has received or is seeking unemployment benefits under the 18 unemployment compensation law of any other state or of the United 19 States, except that if the appropriate agency of such other state or the 20 United States finally determines that the individual is not entitled to such 21 unemployment benefits, this disqualification shall not apply.

(f) For any week with respect to which the individual is entitled to
 receive any unemployment allowance or compensation granted by the
 United States under an act of congress to ex-service men and women in
 recognition of former service with the military or naval services of the
 United States.

27 (g) For the period of five years beginning with the first day following 28 the last week of unemployment for which the individual received benefits, 29 or for five years from the date the act was committed, whichever is the 30 later, if the individual, or another in such individual's behalf with the 31 knowledge of the individual, has knowingly made a false statement or 32 representation, or has knowingly failed to disclose a material fact to obtain 33 or increase benefits under this act or any other unemployment 34 compensation law administered by the secretary of labor. In addition to the penalties set forth in K.S.A. 44-719, and amendments thereto, an 35 36 individual who has knowingly made a false statement or representation or 37 who has knowingly failed to disclose a material fact to obtain or increase 38 benefits under this act or any other unemployment compensation law 39 administered by the secretary of labor shall be liable for a penalty in the 40 amount equal to 25% of the amount of benefits unlawfully received. Notwithstanding any other provision of law, such penalty shall be 41 deposited into the employment security trust fund. 42

43 (h) For any week with respect to which the individual is receiving

compensation for temporary total disability or permanent total disability
 under the workmen's compensation law of any state or under a similar law
 of the United States.

4 (i) For any week of unemployment on the basis of service in an 5 instructional, research or principal administrative capacity for an 6 educational institution as defined in K.S.A. 44-703(v), and amendments 7 thereto, if such week begins during the period between two successive 8 academic years or terms or, when an agreement provides instead for a 9 similar period between two regular but not successive terms during such 10 period or during a period of paid sabbatical leave provided for in the individual's contract, if the individual performs such services in the first of 11 12 such academic years or terms and there is a contract or a reasonable 13 assurance that such individual will perform services in any such capacity 14 for any educational institution in the second of such academic years or 15 terms.

16 (j) For any week of unemployment on the basis of service in any 17 capacity other than service in an instructional, research, or administrative 18 capacity in an educational institution, as defined in K.S.A. 44-703(v), and 19 amendments thereto, if such week begins during the period between two successive academic years or terms if the individual performs such 20 21 services in the first of such academic years or terms and there is a 22 reasonable assurance that the individual will perform such services in the 23 second of such academic years or terms, except that if benefits are denied 24 to the individual under this subsection and the individual was not offered 25 an opportunity to perform such services for the educational institution for the second of such academic years or terms, such individual shall be 26 27 entitled to a retroactive payment of benefits for each week for which the 28 individual filed a timely claim for benefits and for which benefits were 29 denied solely by reason of this subsection.

30 (k) For any week of unemployment on the basis of service in any 31 capacity for an educational institution as defined in K.S.A. 44-703(v), and 32 amendments thereto, if such week begins during an established and 33 customary vacation period or holiday recess, if the individual performs 34 services in the period immediately before such vacation period or holiday 35 recess and there is a reasonable assurance that such individual will perform 36 such services in the period immediately following such vacation period or 37 holiday recess.

(1) For any week of unemployment on the basis of any services,
substantially all of which consist of participating in sports or athletic
events or training or preparing to so participate, if such week begins during
the period between two successive sport seasons or similar period if such
individual performed services in the first of such seasons or similar periods
and there is a reasonable assurance that such individual will perform such

1 services in the later of such seasons or similar periods.

2 (m) For any week on the basis of services performed by an alien 3 unless such alien is an individual who was lawfully admitted for 4 permanent residence at the time such services were performed, was lawfully present for purposes of performing such services, or was 5 6 permanently residing in the United States under color of law at the time 7 such services were performed, including an alien who was lawfully present 8 in the United States as a result of the application of the provisions of 9 section 212(d)(5) of the federal immigration and nationality act. Any data 10 or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall 11 12 be uniformly required from all applicants for benefits. In the case of an 13 individual whose application for benefits would otherwise be approved, no 14 determination that benefits to such individual are not payable because of 15 such individual's alien status shall be made except upon a preponderance 16 of the evidence.

17 (n) For any week in which an individual is receiving a governmental 18 or other pension, retirement or retired pay, annuity or other similar 19 periodic payment under a plan maintained by a base period employer and 20 to which the entire contributions were provided by such employer, except 21 that: (1) If the entire contributions to such plan were provided by the base 22 period employer but such individual's weekly benefit amount exceeds such 23 governmental or other pension, retirement or retired pay, annuity or other 24 similar periodic payment attributable to such week, the weekly benefit 25 amount payable to the individual shall be reduced, but not below zero, by 26 an amount equal to the amount of such pension, retirement or retired pay. 27 annuity or other similar periodic payment which is attributable to such 28 week; or (2) if only a portion of contributions to such plan were provided 29 by the base period employer, the weekly benefit amount payable to such 30 individual for such week shall be reduced, but not below zero, by the 31 prorated weekly amount of the pension, retirement or retired pay, annuity 32 or other similar periodic payment after deduction of that portion of the 33 pension, retirement or retired pay, annuity or other similar periodic 34 payment that is directly attributable to the percentage of the contributions 35 made to the plan by such individual; or (3) if the entire contributions to the 36 plan were provided by such individual, or by the individual and an 37 employer, or any person or organization, who is not a base period 38 employer, no reduction in the weekly benefit amount payable to the 39 individual for such week shall be made under this subsection; or (4) 40 whatever portion of contributions to such plan were provided by the base 41 period employer, if the services performed for the employer by such 42 individual during the base period, or remuneration received for the 43 services, did not affect the individual's eligibility for, or increased the

amount of, such pension, retirement or retired pay, annuity or other similar
 periodic payment, no reduction in the weekly benefit amount payable to
 the individual for such week shall be made under this subsection. No
 reduction shall be made for payments made under the social security act or
 railroad retirement act of 1974.

6 (o) For any week of unemployment on the basis of services 7 performed in any capacity and under any of the circumstances described in 8 subsection (i), (j) or (k)-which that an individual performed in an 9 educational institution while in the employ of an educational service 10 agency. For the purposes of this subsection, the term "educational service agency" means a governmental agency or entity which is established and 11 12 operated exclusively for the purpose of providing such services to one or 13 more educational institutions.

(p) For any week of unemployment on the basis of service as a school 14 15 bus or other motor vehicle driver employed by a private contractor to 16 transport pupils, students and school personnel to or from school-related 17 functions or activities for an educational institution, as defined in K.S.A. 18 44-703(v), and amendments thereto, if such week begins during the period 19 between two successive academic years or during a similar period between 20 two regular terms, whether or not successive, if the individual has a 21 contract or contracts, or a reasonable assurance thereof, to perform 22 services in any such capacity with a private contractor for any educational 23 institution for both such academic years or both such terms. An individual 24 shall not be disgualified for benefits as provided in this subsection for any 25 week of unemployment on the basis of service as a bus or other motor 26 vehicle driver employed by a private contractor to transport persons to or 27 from nonschool-related functions or activities.

28 (q) For any week of unemployment on the basis of services 29 performed by the individual in any capacity and under any of the 30 circumstances described in subsection (i), (j), (k) or (o)-which that are 31 provided to or on behalf of an educational institution, as defined in K.S.A. 32 44-703(v), and amendments thereto, while the individual is in the employ 33 of an employer which is a governmental entity. Indian tribe or any 34 employer described in section 501(c)(3) of the federal internal revenue 35 code of 1986 which is exempt from income under section 501(a) of the 36 code

(r) For any week in which an individual is registered at and attending
an established school, training facility or other educational institution, or is
on vacation during or between two successive academic years or terms. An
individual shall not be disqualified for benefits as provided in this
subsection provided:

42 (1) The individual was engaged in full-time employment concurrent43 with the individual's school attendance;

(2) the individual is attending approved training as defined in K.S.A. 44-703(s), and amendments thereto; or

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3 (3) the individual is attending evening, weekend or limited day time 4 classes, which would not affect availability for work, and is otherwise 5 eligible under K.S.A. 44-705(c), and amendments thereto.

6 (s) For any week with respect to which an individual is receiving or 7 has received remuneration in the form of a back pay award or settlement. 8 The remuneration shall be allocated to the week or weeks in the manner as 9 specified in the award or agreement, or in the absence of such specificity 10 in the award or agreement, such remuneration shall be allocated to the 11 week or weeks in which such remuneration, in the judgment of the 12 secretary, would have been paid.

13 (1) For any such weeks that an individual receives remuneration in 14 the form of a back pay award or settlement, an overpayment will be 15 established in the amount of unemployment benefits paid and shall be 16 collected from the claimant.

17 (2) If an employer chooses to withhold from a back pay award or 18 settlement, amounts paid to a claimant while they claimed unemployment 19 benefits, such employer shall pay the department the amount withheld. 20 With respect to such amount, the secretary shall have available all of the 21 collection remedies authorized or provided in K.S.A. 44-717, and 22 amendments thereto.

23 (t) (1) Any applicant for or recipient of unemployment benefits who 24 tests positive for unlawful use of a controlled substance or controlled 25 substance analog shall be required to complete a substance abuse treatment program approved by the secretary of labor, secretary of commerce or 26 27 secretary for children and families, and a job skills program approved by 28 the secretary of labor, secretary of commerce or the secretary for children 29 and families. Subject to applicable federal laws, any applicant for or 30 recipient of unemployment benefits who fails to complete or refuses to 31 participate in the substance abuse treatment program or job skills program as required under this subsection shall be ineligible to receive 32 33 unemployment benefits until completion of such substance abuse 34 treatment and job skills programs. Upon completion of both substance 35 abuse treatment and job skills programs, such applicant for or recipient of 36 unemployment benefits may be subject to periodic drug screening, as 37 determined by the secretary of labor. Upon a second positive test for 38 unlawful use of a controlled substance or controlled substance analog, an 39 applicant for or recipient of unemployment benefits shall be ordered to 40 complete again a substance abuse treatment program and job skills program, and shall be terminated from unemployment benefits for a period 41 42 of 12 months, or until such applicant for or recipient of unemployment 43 benefits completes both substance abuse treatment and job skills programs,

whichever is later. Upon a third positive test for unlawful use of a
 controlled substance or controlled substance analog, an applicant for or a
 recipient of unemployment benefits shall be terminated from receiving
 unemployment benefits, subject to applicable federal law.

5 (2) Any individual who has been discharged or refused employment 6 for failing a preemployment drug screen required by an employer may 7 request that the drug screening specimen be sent to a different drug testing 8 facility for an additional drug screening. Any such individual who requests 9 an additional drug screening at a different drug testing facility shall be 10 required to pay the cost of drug screening.

(3) The provisions of this subsection shall not apply to any individual
who is a registered patient pursuant to section 8, and amendments thereto,
for activities authorized by the Kansas medical marijuana regulation act,
section 1 et seq., and amendments thereto.

15 (u) If the individual was found not to have a disqualifying 16 adjudication or conviction under K.S.A. 39-970 or 65-5117, and 17 amendments thereto, was hired and then was subsequently convicted of a 18 disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments 19 thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and 20 amendments thereto. The disqualification shall begin the day following the 21 separation and shall continue until after the individual becomes 22 reemployed and has had earnings from insured work of at least three times 23 the individual's determined weekly benefit amount.

(v) Notwithstanding the provisions of any subsection, an individual shall not be disqualified for such week of part-time employment in a substitute capacity for an educational institution if such individual's most recent employment prior to the individual's benefit year begin date was for a non-educational institution and such individual demonstrates application for work in such individual's customary occupation or for work for which the individual is reasonably fitted by training or experience.

Sec. 81. On and after July 1, 2023, K.S.A. 44-1009 is hereby amended to read as follows: 44-1009. (a) It shall be an unlawful employment practice:

34 (1) For an employer, because of the race, religion, color, sex, 35 disability, national origin or ancestry of any person to refuse to hire or 36 employ such person to bar or discharge such person from employment or 37 to otherwise discriminate against such person in compensation or in terms, 38 conditions or privileges of employment; to limit, segregate, separate, 39 classify or make any distinction in regards to employees; or to follow any 40 employment procedure or practice which, in fact, results in discrimination, 41 segregation or separation without a valid business necessity.

42 (2) For a labor organization, because of the race, religion, color, sex,43 disability, national origin or ancestry of any person, to exclude or to expel

from its membership such person or to discriminate in any way against any
 of its members or against any employer or any person employed by an
 employer.

4 (3) For any employer, employment agency or labor organization to print or circulate or cause to be printed or circulated any statement, 5 6 advertisement or publication, or to use any form of application for 7 employment or membership or to make any inquiry in connection with 8 prospective employment or membership, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, 9 religion, color, sex, disability, national origin or ancestry, or any intent to 10 make any such limitation, specification or discrimination, unless based on 11 12 a bona fide occupational qualification.

(4) For any employer, employment agency or labor organization to
 discharge, expel or otherwise discriminate against any person because such
 person has opposed any practices or acts forbidden under this act or
 because such person has filed a complaint, testified or assisted in any
 proceeding under this act.

18 (5) For an employment agency to refuse to list and properly classify 19 for employment or to refuse to refer any person for employment or 20 otherwise discriminate against any person because of such person's race, 21 religion, color, sex, disability, national origin or ancestry; or to comply 22 with a request from an employer for a referral of applicants for 23 employment if the request expresses, either directly or indirectly, any limitation, specification or discrimination as to race, religion, color, sex, 24 25 disability, national origin or ancestry.

26 (6) For an employer, labor organization, employment agency, or school which provides, coordinates or controls apprenticeship, on-the-job, 27 28 or other training or retraining program, to maintain a practice of 29 discrimination, segregation or separation because of race, religion, color, 30 sex, disability, national origin or ancestry, in admission, hiring, 31 assignments. promotion. upgrading. transfers. lavoff. dismissal. 32 apprenticeship or other training or retraining program, or in any other 33 privileges of employment, membership, terms. conditions or 34 apprenticeship or training; or to follow any policy or procedure which, in 35 fact, results in such practices without a valid business motive.

36 (7) For any person, whether an employer or an employee or not, to
37 aid, abet, incite, compel or coerce the doing of any of the acts forbidden
38 under this act, or attempt to do so.

39 (8) For an employer, labor organization, employment agency or joint40 labor-management committee to:

(A) Limit, segregate or classify a job applicant or employee in a way
that adversely affects the opportunities or status of such applicant or
employee because of the disability of such applicant or employee;

1 (B) participate in a contractual or other arrangement or relationship, 2 including a relationship with an employment or referral agency, labor 3 union, an organization providing fringe benefits to an employee or an 4 organization providing training and apprenticeship programs that has the 5 effect of subjecting a qualified applicant or employee with a disability to 6 the discrimination prohibited by this act;

7 (C) utilize standards criteria, or methods of administration that have 8 the effect of discrimination on the basis of disability or that perpetuate the 9 discrimination of others who are subject to common administrative 10 control;

(D) exclude or otherwise deny equal jobs or benefits to a qualified
 individual because of the known disability of an individual with whom the
 qualified individual is known to have a relationship or association;

14 (E) not make reasonable accommodations to the known physical or 15 mental limitations of an otherwise qualified individual with a disability 16 who is an applicant or employee, unless such employer, labor organization, 17 employment agency or joint labor-management committee can 18 demonstrate that the accommodation would impose an undue hardship on 19 the operation of the business thereof;

(F) deny employment opportunities to a job applicant or employee
who is an otherwise qualified individual with a disability, if such denial is
based on the need to make reasonable accommodation to the physical or
mental impairments of the employee or applicant;

(G) use qualification standards, employment tests or other selection
criteria that screen out or tend to screen out an individual with a disability
or a class of individuals with disabilities unless the standard, test or other
selection criteria, as used, is shown to be job-related for the position in
question and is consistent with business necessity; or

29 fail to select and administer tests concerning employment in the (H) 30 most effective manner to ensure that, when such test is administered to a 31 job applicant or employee who has a disability that impairs sensory, 32 manual or speaking skills, the test results accurately reflect the skills, 33 aptitude or whatever other factor of such applicant or employee that such 34 test purports to measure, rather than reflecting the impaired sensory, 35 manual or speaking skills of such employee or applicant, except where such skills are the factors that the test purports to measure). 36

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(9) For any employer to:

(A) Seek to obtain, to obtain or to use genetic screening or testing
information of an employee or a prospective employee to distinguish
between or discriminate against or restrict any right or benefit otherwise
due or available to an employee or a prospective employee; or

42 (B) subject, directly or indirectly, any employee or prospective 43 employee to any genetic screening or test. (10) (A) For an employer, because a person is a registered patient or
 caregiver pursuant to section 8, and amendments thereto, or possesses or
 uses medical marijuana in accordance with the Kansas medical marijuana
 regulation act, section 1 et seq., and amendments thereto, to:

5 6 (i) Refuse to hire or employ a person;
(ii) bar or discharge such person from employment; or

7 (iii) otherwise discriminate against such person in compensation or 8 in terms, conditions or privileges of employment without a valid business 9 necessity.

10 (B) For a labor organization, because a person is a registered patient 11 or caregiver pursuant to section 8, and amendments thereto, or possesses 12 or uses medical marijuana in accordance with the Kansas medical 13 marijuana regulation act, section 1 et seq., and amendments thereto, to 14 exclude or expel such person from its membership.

15 (C) Nothing in this paragraph shall be construed to prohibit a person 16 from taking any action necessary to procure or retain any monetary 17 benefit provided under federal law, or any rules and regulations adopted 18 thereunder, or to obtain or maintain any license, certificate, registration 19 or other legal status issued or bestowed under federal law, or any rules 20 and regulations adopted thereunder.

(b) It shall not be an unlawful employment practice to fill vacancies
in such way as to eliminate or reduce imbalance with respect to race,
religion, color, sex, disability, national origin or ancestry.

24

(c) It shall be an unlawful discriminatory practice:

(1) For any person, as defined herein being the owner, operator, lessee, manager, agent or employee of any place of public accommodation to refuse, deny or make a distinction, directly or indirectly, in offering its goods, services, facilities, and accommodations to any person as covered by this act because of race, religion, color, sex, disability, national origin or ancestry, except where a distinction because of sex is necessary because of the intrinsic nature of such accommodation.

(2) For any person, whether or not specifically enjoined from
discriminating under any provisions of this act, to aid, abet, incite, compel
or coerce the doing of any of the acts forbidden under this act, or to
attempt to do so.

36 (3) For any person, to refuse, deny, make a distinction, directly or
37 indirectly, or discriminate in any way against persons because of the race,
38 religion, color, sex, disability, national origin or ancestry of such persons
39 in the full and equal use and enjoyment of the services, facilities,
40 privileges and advantages of any institution, department or agency of the
41 state of Kansas or any political subdivision or municipality thereof.

42 Sec. 82. On and after July 1, 2023, K.S.A. 44-1015 is hereby 43 amended to read as follows: 44-1015. As used in this act, unless the (b)

1 context otherwise requires:

> "Commission" means the Kansas human rights commission. (a) "Real property" means and includes:

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(1) All vacant or unimproved land; and

5 (2) any building or structure-which that is occupied or designed or 6 intended for occupancy, or any building or structure having a portion 7 thereof which that is occupied or designed or intended for occupancy.

8

"Family" includes a single individual. (c)

9 (d) "Person" means an individual, corporation, partnership, association, labor organization, legal representative, mutual company, 10 joint-stock company, trust, unincorporated organization, trustee, trustee in 11 12 bankruptcy, receiver and fiduciary.

(e) "To rent" means to lease, to sublease, to let and otherwise to grant 13 14 for a consideration the right to occupy premises not owned by the 15 occupant.

16 "Discriminatory housing practice" means any act that is unlawful (f) under K.S.A. 44-1016, 44-1017 or 44-1026, and amendments thereto, or 17 18 section 48. and amendments thereto.

19 (g) "Person aggrieved" means any person who claims to have been 20 injured by a discriminatory housing practice or believes that such person 21 will be injured by a discriminatory housing practice that is about to occur.

22 (h) "Disability" has the meaning provided by means the same as 23 defined in K.S.A. 44-1002, and amendments thereto.

(i) "Familial status" means having one or more individuals less than 24 25 18 years of age domiciled with:

(1) A parent or another person having legal custody of such 26 27 individual or individuals; or

28 (2) the designee of such parent or other person having such custody, 29 with the written permission of such parent or other person.

Sec. 83. On and after July 1, 2023, K.S.A. 2020 Supp. 65-1120 is 30 31 hereby amended to read as follows: 65-1120. (a) Grounds for disciplinary 32 actions. The board may deny, revoke, limit or suspend any license or 33 authorization to practice nursing as a registered professional nurse, as a 34 licensed practical nurse, as an advanced practice registered nurse or as a 35 registered nurse anesthetist that is issued by the board or applied for under 36 this act, or may require the licensee to attend a specific number of hours of 37 continuing education in addition to any hours the licensee may already be 38 required to attend or may publicly or privately censure a licensee or holder 39 of a temporary permit or authorization, if the applicant, licensee or holder 40 of a temporary permit or authorization is found after hearing:

41 (1) To be guilty of fraud or deceit in practicing nursing or in 42 procuring or attempting to procure a license to practice nursing;

43 (2) to have been guilty of a felony or to have been guilty of a

1 misdemeanor involving an illegal drug offense unless the applicant or 2 licensee establishes sufficient rehabilitation to warrant the public trust, 3 except that notwithstanding K.S.A. 74-120, and amendments thereto, no 4 license or authorization to practice nursing as a licensed professional 5 nurse, as a licensed practical nurse, as an advanced practice registered 6 nurse or registered nurse anesthetist shall be granted to a person with a 7 felony conviction for a crime against persons as specified in article 34 of 8 chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or article 9 54 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, or K.S.A. 2020 Supp. 21-6104, 21-6325, 21-6326 or 21-6418, and 10 11 amendments thereto:

(3) has been convicted or found guilty or has entered into an agreed
disposition of a misdemeanor offense related to the practice of nursing as
determined on a case-by-case basis;

15 (4) to have committed an act of professional incompetency as defined16 in subsection (e);

(5) to be unable to practice with skill and safety due to current abuseof drugs or alcohol;

(6) to be a person who has been adjudged in need of a guardian or
conservator, or both, under the act for obtaining a guardian or conservator,
or both, and who has not been restored to capacity under that act;

(7) to be guilty of unprofessional conduct as defined by rules andregulations of the board;

(8) to have willfully or repeatedly violated the provisions of the
Kansas nurse practice act or any rules and regulations adopted pursuant to
that act, including K.S.A. 65-1114 and 65-1122, and amendments thereto;

27 (9) to have a license to practice nursing as a registered nurse or as a 28 practical nurse denied, revoked, limited or suspended, or to be publicly or privately censured, by a licensing authority of another state, agency of the 29 United States government, territory of the United States or country or to 30 31 have other disciplinary action taken against the applicant or licensee by a licensing authority of another state, agency of the United States 32 33 government, territory of the United States or country. A certified copy of 34 the record or order of public or private censure, denial, suspension, 35 limitation, revocation or other disciplinary action of the licensing authority 36 of another state, agency of the United States government, territory of the 37 United States or country shall constitute prima facie evidence of such a 38 fact for purposes of this paragraph (9); or

(10) to have assisted suicide in violation of K.S.A. 21-3406, prior to
its repeal, or K.S.A. 2020 Supp. 21-5407, and amendments thereto, as
established by any of the following:

42 (A) A copy of the record of criminal conviction or plea of guilty for a 43 felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2020 1 Supp. 21-5407, and amendments thereto.

2 (B) A copy of the record of a judgment of contempt of court for 3 violating an injunction issued under K.S.A. 2020 Supp. 60-4404, and 4 amendments thereto.

5 (C) A copy of the record of a judgment assessing damages under 6 K.S.A. 2020 Supp. 60-4405, and amendments thereto.

7 (b) Proceedings. Upon filing of a sworn complaint with the board 8 charging a person with having been guilty of any of the unlawful practices 9 specified in subsection (a), two or more members of the board shall 10 investigate the charges, or the board may designate and authorize an employee or employees of the board to conduct an investigation. After 11 investigation, the board may institute charges. If an investigation, in the 12 13 opinion of the board, reveals reasonable grounds for believing the applicant or licensee is guilty of the charges, the board shall fix a time and 14 15 place for proceedings, which shall be conducted in accordance with the 16 provisions of the Kansas administrative procedure act.

(c) *Witnesses.* No person shall be excused from testifying in any
proceedings before the board under this act or in any civil proceedings
under this act before a court of competent jurisdiction on the ground that
such testimony may incriminate the person testifying, but such testimony
shall not be used against the person for the prosecution of any crime under
the laws of this state except the crime of perjury as defined in K.S.A. 2020
Supp. 21-5903, and amendments thereto.

24 (d) *Costs.* If final agency action of the board in a proceeding under 25 this section is adverse to the applicant or licensee, the costs of the board's proceedings shall be charged to the applicant or licensee as in ordinary 26 27 civil actions in the district court, but if the board is the unsuccessful party, 28 the costs shall be paid by the board. Witness fees and costs may be taxed 29 by the board according to the statutes relating to procedure in the district court. All costs accrued by the board, when it is the successful party, and 30 31 which that the attorney general certifies cannot be collected from the 32 applicant or licensee shall be paid from the board of nursing fee fund. All 33 moneys collected following board proceedings shall be credited in full to 34 the board of nursing fee fund.

(e) *Professional incompetency defined.* As used in this section,
 "professional incompetency" means:

(1) One or more instances involving failure to adhere to the
applicable standard of care to a degree-which *that* constitutes gross
negligence, as determined by the board;

40 (2) repeated instances involving failure to adhere to the applicable
41 standard of care to a degree-which *that* constitutes ordinary negligence, as
42 determined by the board; or

43 (3) a pattern of practice or other behavior-which *that* demonstrates a

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1 manifest incapacity or incompetence to practice nursing.

2 (f) *Criminal justice information.* The board upon request shall receive 3 from the Kansas bureau of investigation such criminal history record 4 information relating to arrests and criminal convictions as necessary for 5 the purpose of determining initial and continuing qualifications of 6 licensees of and applicants for licensure by the board.

7 (g) Medical marijuana exemption. The board shall not deny, revoke, 8 limit or suspend an advanced practice registered nurse's license or 9 publicly or privately censure an advanced practice registered nurse for 10 any of the following:

(1) The advanced practice registered nurse has:

(A) Advised a patient about the possible benefits and risks of using
 medical marijuana; or

14 *(B)* advised a patient that using medical marijuana may mitigate the 15 patient's symptoms; or

16 (2) the advanced practice registered nurse is a registered patient or 17 caregiver pursuant to section 8, and amendments thereto, possesses or has 18 possessed, or uses or has used medical marijuana in accordance with the 19 Kansas medical marijuana regulation act, section 1 et seq., and 20 amendments thereto.

Sec. 84. On and after July 1, 2023, K.S.A. 65-28b08 is hereby amended to read as follows: 65-28b08. (a) The board may deny, revoke, limit or suspend any license or authorization issued to a certified nursemidwife to engage in the independent practice of midwifery that is issued by the board or applied for under this act, or may publicly censure a licensee or holder of a temporary permit or authorization, if the applicant or licensee is found after a hearing:

(1) To be guilty of fraud or deceit while engaging in the independent
 practice of midwifery or in procuring or attempting to procure a license to
 engage in the independent practice of midwifery;

31 (2) to have been found guilty of a felony or to have been found guilty 32 of a misdemeanor involving an illegal drug offense unless the applicant or 33 licensee establishes sufficient rehabilitation to warrant the public trust, 34 except that notwithstanding K.S.A. 74-120, and amendments thereto, no 35 license or authorization to practice and engage in the independent practice 36 of midwifery shall be granted to a person with a felony conviction for a 37 crime against persons as specified in article 34 of chapter 21 of the Kansas 38 Statutes Annotated, prior to its repeal, or article 54 of chapter 21 of the 39 Kansas Statutes Annotated, and amendments thereto, or K.S.A. 2020 Supp. 40 21-6104, 21-6325, 21-6326 or 21-6418, and amendments thereto;

41 (3) to have committed an act of professional incompetence as defined42 in subsection (c);

43 (4) to be unable to practice the healing arts with reasonable skill and

safety by reason of impairment due to physical or mental illness or 1 2 condition or use of alcohol, drugs or controlled substances. All information, reports, findings and other records relating to impairment 3 4 shall be confidential and not subject to discovery or release to any person 5 or entity outside of a board proceeding. The provisions of this paragraph 6 providing confidentiality of records shall expire on July 1, 2022 2026, 7 unless the legislature reviews and reenacts such provisions pursuant to 8 K.S.A. 45-229, and amendments thereto, prior to July 1, 2022 2026;

9 (5) to be a person who has been adjudged in need of a guardian or 10 conservator, or both, under the act for obtaining a guardian or conservator, 11 or both, and who has not been restored to capacity under that act;

12 (6) to be guilty of unprofessional conduct as defined by rules and 13 regulations of the board;

(7) to have willfully or repeatedly violated the provisions of the
 Kansas nurse practice act or any rules and regulations adopted pursuant to
 that act;

17 (8) to have a license to practice nursing as a registered nurse or as a 18 practical nurse denied, revoked, limited or suspended, or to have been publicly or privately censured, by a licensing authority of another state. 19 20 agency of the United States government, territory of the United States or 21 country, or to have other disciplinary action taken against the applicant or 22 licensee by a licensing authority of another state, agency of the United 23 States government, territory of the United States or country. A certified 24 copy of the record or order of public or private censure, denial, suspension, 25 limitation, revocation or other disciplinary action of the licensing authority of another state, agency of the United States government, territory of the 26 27 United States or country shall constitute prima facie evidence of such a 28 fact for purposes of this paragraph; or

(9) to have assisted suicide in violation of K.S.A. 21-3406, prior to its
repeal, or K.S.A. 2020 Supp. 21-5407, and amendments thereto, as
established by any of the following:

(A) A copy of the record of criminal conviction or plea of guilty to a
felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2020
Supp. 21-5407, and amendments thereto;

(B) a copy of the record of a judgment of contempt of court for
violating an injunction issued under K.S.A. 60-4404, and amendments
thereto; or

(C) a copy of the record of a judgment assessing damages underK.S.A. 60-4405, and amendments thereto.

(b) No person shall be excused from testifying in any proceedings
before the board under this act or in any civil proceedings under this act
before a court of competent jurisdiction on the ground that such testimony
may incriminate the person testifying, but such testimony shall not be used

against the person for the prosecution of any crime under the laws of this 1

state, except the crime of perjury as defined in K.S.A. 2020 Supp. 21-2 5903, and amendments thereto. 3

(c) The board shall not deny, revoke, limit or suspend any license or 4 5 authorization issued to a certified nurse-midwife or publicly censure a 6 certified nurse-midwife upon any of the following: 7

(1) The certified nurse-midwife has:

8 (A) Advised a patient about the possible benefits and risks of using 9 medical marijuana; or

10 (B) advised the patient that using medical marijuana may mitigate the patient's symptoms; or 11

(2) the certified nurse-midwife is a registered patient or caregiver 12 pursuant to section 8, and amendments thereto, possesses or has 13 possessed, or uses or has used medical marijuana in accordance with the 14 15 Kansas medical marijuana regulation act, section 1 et seq., and 16 amendments thereto.

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(d) As used in this section, "professional incompetency" means:

18 (1) One or more instances involving failure to adhere to the 19 applicable standard of care to a degree which constitutes gross negligence, 20 as determined by the board;

21 (2) repeated instances involving failure to adhere to the applicable 22 standard of care to a degree which constitutes ordinary negligence, as 23 determined by the board; or

24 (3) a pattern of practice or other behavior which demonstrates a 25 manifest incapacity or incompetence to engage in the independent practice 26 of midwifery.

27 (d)(e) The board, upon request, shall receive from the Kansas bureau of investigation such criminal history record information relating to arrests 28 and criminal convictions, as necessary, for the purpose of determining 29 initial and continuing qualifications of licensees and applicants for 30 31 licensure by the board.

32 (e) The provisions of this section shall become effective on January 1, 33 2017

34 Sec. 85. On and after July 1, 2023, K.S.A. 79-5201 is hereby 35 amended to read as follows: 79-5201. As used in-this act article 52 of 36 chapter 79 of the Kansas Statutes Annotated, and amendments thereto:

37 (a) "Marijuana" means any marijuana, whether real or counterfeit, as defined by K.S.A. 2020 Supp. 21-5701, and amendments thereto, which is 38 39 held, possessed, transported, transferred, sold or offered to be sold inviolation of the laws of Kansas; 40

(b)—"Controlled substance" means any drug or substance, whether real 41 or counterfeit, as defined by K.S.A. 2020 Supp. 21-5701, and amendments 42 43 thereto, which that is held, possessed, transported, transferred, sold or

offered to be sold in violation of the laws of Kansas. Such term shall not
 include marijuana;

(c)(b) "dealer" means any person who, in violation of Kansas law,
 manufactures, produces, ships, transports or imports into Kansas or in any
 manner acquires or possesses more than 28 grams of marijuana, or more
 than one gram of any controlled substance, or 10 or more dosage units of
 any controlled substance which that is not sold by weight;

8 (d)(c) "domestic marijuana plant" means any cannabis plant at any 9 level of growth-which *that* is harvested or tended, manicured, irrigated, 10 fertilized or where there is other evidence that it has been treated in any 11 other way in an effort to enhance growth;

12 (d) "marijuana" means any marijuana, whether real or counterfeit, 13 as defined in K.S.A. 2020 Supp. 21-5701, and amendments thereto, that is 14 held, possessed, transported, transferred, sold or offered for sale in 15 violation of the laws of Kansas; and

16 *(e)* "medical marijuana" means the same as defined in section 2, and 17 amendments thereto.

Sec. 86. On and after July 1, 2023, K.S.A. 79-5210 is hereby amended to read as follows: 79-5210. Nothing in this act requires persons registered under article 16 of chapter 65 of the Kansas Statutes Annotated,

and amendments thereto, or otherwise lawfully in possession of marijuana,
 medical marijuana or a controlled substance to pay the tax required under
 this act.

24 Sec. 87. K.S.A. 2020 Supp. 39-7,160 and 40-3213 are hereby 25 repealed.

Sec. 88. On and after July 1, 2023, K.S.A. 65-28b08, 79-5201 and
79-5210 and K.S.A. 2020 Supp. 21-5703, 21-5705, 21-5706, 21-5707, 215709, 21-5710, 23-3203, 38-2269, 44-501, 44-706, 44-1009, 44-1015, 651120 are hereby repealed.

30 Sec. 89. This act shall take effect and be in force from and after its 31 publication in the Kansas register.