

CHAPTER 244

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 96-1233

BY REPRESENTATIVES Pankey, Anderson, Epps, Kreutz, Lyle, Morrison, Mace, Reeser, and Schwarz;
also SENATORS Wham, Hopper, Bishop, Norton, and R. Powers.

AN ACT

CONCERNING PUBLIC ASSISTANCE FOR OLDER PERSONS, AND, IN CONNECTION THEREWITH, MAKING CHANGES IN THE OLD AGE PENSION PROGRAM, PROVIDING FOR A STUDY OF THE OLD AGE PENSION PROGRAM, REQUIRING OLD AGE PENSION RECIPIENTS TO APPLY FOR SSI BENEFITS, ELIMINATING TRANSFERS OF A RESIDENCE WITH A RETAINED LIFE ESTATE, AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 26-2-111 (1) and (2) (a), Colorado Revised Statutes, 1989 Repl. Vol., as amended, are amended to read:

26-2-111. Eligibility for public assistance. (1) No person shall be granted public assistance in the form of assistance payments under this article unless ~~he~~ **SUCH PERSON** meets all of the following requirements:

(a) ~~He~~ **THE PERSON** is a resident of the state of Colorado or, if a dependent child, the parent or other relatives with whom said child is living is a resident of the state of Colorado;

(b) ~~He~~ **THE PERSON** has insufficient income, property, or other resources to meet his **OR HER** needs as determined pursuant to rules and regulations of the state department; **EXCEPT THAT THE RESOURCE ELIGIBILITY REQUIREMENTS FOR THE OLD AGE PENSION PROGRAM SHALL BE AS SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (2) OF THIS SECTION.**

(c) **(I)** ~~He~~ **THE PERSON** has not made a voluntary assignment or transfer of property without fair and valuable consideration for the purpose of rendering himself **OR**

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

HERSELF eligible for public assistance under this article at any time within ~~five years~~ THIRTY-SIX MONTHS immediately prior to the filing of application for such assistance pursuant to the provisions of this article; or, in the case of a person already receiving public assistance under this article, ~~he~~ THE PERSON has not made any such transfer during the time ~~he~~ THE PERSON has been receiving such public assistance; but, if any such assignment or transfer is made during such ~~five-year~~ THIRTY-SIX MONTH period or during such time that public assistance is being received, there is a rebuttable presumption that the assignment or transfer was made for such purpose; but, within such period of time, a person may assign or transfer the ownership of real property owned and used as a residence by ~~him~~ SUCH PERSON if:

(A) The transfer or assignment is made for reasons other than to become OR REMAIN eligible for public assistance under this article;

(B) The primary purpose of the transfer or assignment is not to acquire moneys or profit but is for some other legitimate reason such as estate planning.

~~(C) The transferor retains the exclusive right of possession of and net income from the real property transferred or assigned.~~

(II) Nothing in this paragraph (c) shall be construed to prohibit a person from selling, transferring, or assigning his OR HER real estate in a bona fide transaction for good and valuable consideration.

(d) ~~He~~ THE PERSON is not an inmate of a public institution, except as a patient in a public medical institution, or is not a patient in any institution for tuberculosis or mental diseases, or is not a patient in any medical institution as a result of having been diagnosed as having tuberculosis or psychosis; but the provisions of this paragraph (d) shall not be applicable to or in any way affect the class of old age pension recipients provided for in subsection (2) (a) (III) of this section.

(2) **Old age pension.** (a) Except as provided in paragraph (d) of this subsection (2), public assistance in the form of the old age pension shall be granted to any person who meets the requirements of subsection (1) of this section and any one of the following requirements:

(I) ~~He~~ THE PERSON has attained the age of sixty years or more AND MEETS THE RESOURCE ELIGIBILITY REQUIREMENTS OF THE FEDERAL SUPPLEMENTAL SECURITY INCOME PROGRAM; OR

(II) Repealed.

(III) ~~He~~ THE PERSON is an inmate of an institution, not penal in character, maintained by the state or by a municipality therein or county thereof, and ~~he meets the requirement of subparagraph (I) of this paragraph (a)~~ THE PERSON HAS ATTAINED THE AGE OF SIXTY YEARS OR MORE. The period of confinement as a patient in such institution shall be considered as residence in the state of Colorado.

SECTION 2. Part 1 of article 2 of title 26, Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

26-2-111.5. Access to supplemental security income program benefits for old age pension applicants and recipients. THE STATE DEPARTMENT SHALL REQUIRE OLD AGE PENSION APPLICANTS OR RECIPIENTS WHO MAY BE ELIGIBLE FOR SUPPLEMENTAL SECURITY INCOME TO APPLY FOR BENEFITS AUTHORIZED BY TITLE XVI OF THE FEDERAL SOCIAL SECURITY ACT AND TO COMPLY WITH ANY RECOMMENDATIONS FOR REFERRALS MADE BY THE COUNTY DEPARTMENT EXCEPT FOR GOOD CAUSE SHOWN. WITH FUNDS APPROPRIATED BY THE GENERAL ASSEMBLY, THE STATE DEPARTMENT MAY DEVELOP A STATEWIDE COST-EFFECTIVE PROGRAM TO ASSIST OLD AGE PENSION APPLICANTS OR RECIPIENTS IN OBTAINING SUCH BENEFITS.

26-2-111.6. Old age pension work incentive program - repeal. (1) THE STATE DEPARTMENT IS AUTHORIZED TO IMPLEMENT A WORK INCENTIVE PROGRAM FOR PERSONS RECEIVING OLD AGE PENSION BENEFITS, WHICH PROGRAM SHALL BE CALLED THE OLD AGE PENSION WORK INCENTIVE PROGRAM. UNDER THIS PROGRAM, A PERSON WHO IS ALREADY ELIGIBLE FOR AND RECEIVING OLD AGE PENSION BENEFITS WOULD BE ALLOWED TO RETAIN SIXTY-FIVE DOLLARS OF EARNED INCOME IN A MONTH AND ONE-HALF OF THE REMAINING EARNED INCOME IN A MONTH WITHOUT SUCH MONEYS BEING COUNTED AS INCOME FOR PURPOSES OF ELIGIBILITY FOR THE OLD AGE PENSION. IN ADDITION, THE RECEIPT AND RETENTION OF SUCH EARNED INCOME SHALL NOT AFFECT THE PERSON'S ELIGIBILITY FOR MEDICAL ASSISTANCE AS PROVIDED BY ARTICLE 4 OF THIS TITLE.

(2) THE STATE DEPARTMENT SHALL PREPARE A REPORT FOR THE GENERAL ASSEMBLY ON OR BEFORE NOVEMBER 1, 1999, ANALYZING AND EVALUATING THE EFFECTIVENESS OF THE OLD AGE PENSION WORK INCENTIVE PROGRAM, AND INCLUDING ANY RECOMMENDATIONS FOR LEGISLATIVE CHANGES OR FOR CONTINUATION OR TERMINATION OF THE PROGRAM.

(3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2000, UNLESS THE GENERAL ASSEMBLY EXTENDS THE OLD AGE PENSION WORK INCENTIVE PROGRAM.

26-2-111.7. Study of old age pension program - repeal. (1) THE STATE DEPARTMENT IS AUTHORIZED TO CONTRACT WITH AN OBJECTIVE, INDEPENDENT ORGANIZATION OR ENTITY TO CONDUCT A STUDY OF THE OLD AGE PENSION PROGRAM. THE STUDY SHALL ADDRESS THE ANTICIPATED GROWTH OF THE STATE'S OLDER POPULATION IN RELATION TO THE OLD AGE PENSION PROGRAM, TAKING INTO CONSIDERATION POPULATION TRENDS AND INCOME AND RETIREMENT PLANNING DIFFERENCES OF AN AGING "BABY BOOMER" POPULATION AS COMPARED TO THE FINANCIAL CIRCUMSTANCES AND RETIREMENT PLANNING OF INDIVIDUALS AND COUPLES FROM THE DEPRESSION OF THE 1930'S IN THIS COUNTRY WHEN THE OLD AGE PENSION PROGRAM WAS CREATED BY THE STATE. THE STUDY SHALL EVALUATE THE CURRENT OLD AGE PENSION PROGRAM, THE PREMISES AND ASSUMPTIONS UNDERLYING THE OLD AGE PENSION PROGRAM AND THE VALIDITY OF SUCH PREMISES AND ASSUMPTIONS IN TODAY'S SOCIETY AND WITH TODAY'S DEMOGRAPHICS, POPULATION TRENDS, AND INCREASES IN LIFE EXPECTANCY, AND THE IMPACT OF THE EXPECTED GROWTH IN THE NUMBER OF OLDER CITIZENS ON THE OLD AGE PENSION AND ON OTHER PROGRAMS OF FINANCIAL SUPPORT FOR SUCH PERSONS. THE STUDY SHALL ALSO CONSIDER THE LENGTH OF RESIDENCE AND THE IMMIGRANT STATUS OF PERSONS RECEIVING THE OLD AGE PENSION. THE STUDY SHALL INCLUDE AN EXAMINATION OF AND RECOMMENDATIONS ON THE AGE OF ELIGIBILITY FOR THE OLD AGE PENSION, THE BENEFIT PACKAGE FOR THE OLD AGE PENSION, AND WHETHER PROVISIONS ON THE OLD

AGE PENSION NEED TO REMAIN IN THE STATE CONSTITUTION. A REPORT CONTAINING RECOMMENDATIONS FOR LEGISLATIVE AND CONSTITUTIONAL CHANGES IN THE OLD AGE PENSION PROGRAM BASED UPON THE STUDY SHALL BE PRESENTED TO THE JOINT BUDGET COMMITTEE AND THE HOUSE COMMITTEE ON HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS AND THE SENATE COMMITTEE ON HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS ON OR BEFORE FEBRUARY 1, 1997.

(2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 1997.

SECTION 3. Appropriations in long bill to be adjusted. (1) For the implementation of this act, appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 1996, shall be adjusted as follows:

(a) Of the appropriations made to the department of human services, office of information technology services, for the client-oriented information network, the cash funds appropriation is increased by forty-six thousand eight hundred dollars (\$46,800). Said sum shall be from cash funds in the old age pension fund.

(b) Of the appropriations made to the department of human services, self-sufficiency, assistance payments, for the old age pension fund, the cash funds appropriation is decreased by seventy-six thousand two hundred ninety-eight dollars (\$76,298).

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 1, 1996