



*Strong Families Make a Strong Kansas*

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## House Judiciary Committee

January 28, 2014

*Testimony on:*

**HB 2421**

**Testimony of:**

Kenley J. Thompson, Director, Fraud Investigations  
Department for Children and Families  
Topeka, Kansas

**Presented to:**

The Honorable *Lance Kinzer*, Vice-Chair *Rob Bruchman* and Honorable  
Members of the *House Judiciary Committee*:

**Chairman Lance Kinzer, Vice-Chair Rob Bruchman, Ranking Member Janice Pauls and Honored Members:**

Good afternoon Mr. Chairman and members of the committee. I am Kenley J. Thompson, Director, Fraud Investigations, for the Department for Children and Families (DCF). I appreciate the opportunity to testify today in opposition of House Bill 2421, which would prohibit state and local governments from accessing information about individuals that is held by third parties without the consent of the individual or without a warrant.

DCF's Fraud Investigations Unit has responsibility for investigating allegations of public assistance fraud in the various benefits programs administered by DCF. It is anticipated that DCF fraud investigators will conduct more than 4,000 investigations during the current fiscal year in our efforts to detect incidents of welfare fraud. Investigations that result in findings of fraud lead to appropriate administrative and judicial remedies against the individuals committing welfare fraud. For example, as of today's date, for FY 2014, DCF has established civil judgments against individuals who have committed welfare fraud in the amount of \$1,152,888, and we anticipate the total year-end dollar amount for civil welfare fraud judgments will be in excess of \$2 million. We strive to be the best stewards possible of scarce public funds, and a vigorous fraud detection and prevention program is vital in accomplishing this goal. HB 2421, as currently written, would seriously impede DCF's ability to detect, deter and prevent public assistance fraud.

DCF's Fraud Investigations Unit, much like other DCF programs, relies extensively on information and data matching with third party entities. Information and data matching obtained from such third party entities are essential to detect and prove welfare fraud. Our Fraud Investigations staff uses third party data as a basis to verify and prove all manner of benefits eligibility requirements, such as who is living in the assistance recipient's home, income/wage/employment information for those residing in the home, or other residency related matters that affect eligibility. K.S.A. 75-3306 authorizes the

Secretary/DCF, to issue administrative subpoenas which are vital for our agency to carry out its anti-fraud duties and responsibilities. This bill, as written, would eliminate our ability to acquire critical information through subpoenas and prevent DCF from obtaining information from all third parties, even perhaps from other states and the federal government. If DCF is not allowed to continue such investigative activities and obtain information from third party entities, the impact will be felt across the agency as we will be severely limited in our abilities to detect, deter, and prevent welfare fraud in the various public assistance benefits programs administered by DCF.

Thank you for the opportunity to testify today. I will be glad to stand for any questions you may have.