

HOUSE BILL No. 2164

By Committee on Ethics and Elections

1-25

AN ACT concerning state governmental ethics law; relating to the definition of certain terms; amending K.S.A. 46-229 and repealing the existing section.

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

Section 1. K.S.A. 46-229 is hereby amended to read as follows: 46-229. (a) "Substantial interest" means any of the following:

~~(a)~~ (1) If an individual or an individual's spouse, either individually or collectively, has owned within the preceding 12 months a legal or equitable interest exceeding ~~\$5,000~~ \$15,000 or 5% of any business, whichever is less, the individual has a substantial interest in that business.

~~(b)~~ (2) If an individual or an individual's spouse, either individually or collectively, has received during the preceding calendar year compensation which is or will be required to be included as taxable income on federal income tax returns of the individual and spouse in an aggregate amount of \$2,000 from any business or combination of businesses, the individual has a substantial interest in that business or combination of businesses.

~~(c)~~ (3) If an individual or an individual's spouse, either individually or collectively, has received directly or indirectly in the preceding 12 months, gifts or honoraria having an aggregate value of \$500 or more from any person, the individual has a substantial interest in that person. If a gift is received for which the value is unknown, the individual shall be deemed to have a substantial interest in the donor. A substantial interest does not exist under this subsection by reason of: ~~(1)~~ (A) A gift or bequest received as the result of the death of the donor; ~~(2)~~ (B) a gift from a spouse, parent, grandparent, sibling, aunt or uncle; or ~~(3)~~ (C) acting as a trustee of a trust for the benefit of another.

~~(d)~~ (4) If an individual or an individual's spouse holds the position of officer, director, associate, partner or proprietor of any business, the individual has a substantial interest in that business, irrespective of the amount of compensation received by the individual or individual's spouse.

~~(e)~~ (5) If an individual or an individual's spouse receives compensation which is a portion or percentage of each separate fee or commission paid to a business or combination of businesses, the individual has a sub-

1 stantial interest in any client or customer who pays fees or commissions
2 to the business or combination of businesses from which fees or com-
3 missions the individual or the individual's spouse, either individually or
4 collectively, received an aggregate of \$2,000 or more in the preceding
5 calendar year.

6 ~~As used in this subsection, (b)~~ "Client or customer" means a business
7 or combination of businesses.

8 Sec. 2. K.S.A. 46-229 is hereby repealed.

9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.

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