

**SENATE BILL No. 365**

By Committee on Ways and Means

1-26

10 AN ACT concerning legislative post audit; relating to persons subject to  
11 audits; amending K.S.A. 46-1114 and repealing the existing section.  
12

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

14 Section 1. K.S.A. 46-1114 is hereby amended to read as follows: 46-  
15 1114. (a) The legislative post audit committee is hereby authorized to  
16 direct the post auditor and the division of post audit to make an audit of  
17 any type described in K.S.A. 46-1106 or 46-1108, and amendments to  
18 these sections, of any records or matters of any person specified in this  
19 section, and may direct the object in detail of any such audit.

20 (b) Upon receiving any such direction, the post auditor with the di-  
21 vision of post audit, shall make such audit and shall have access to all  
22 books, accounts, records, files, documents and correspondence, confi-  
23 dential or otherwise, to the same extent permitted under subsection (g)  
24 of K.S.A. 46-1106 and amendments thereto, except that such access shall  
25 be subject to the limitations established under subsection (d) of this  
26 section.

27 (c) Audits authorized by this section are the following:

28 (1) Audit of any local subdivision of government or agency or instru-  
29 mentality thereof which receives any distribution of moneys from or  
30 through the state.

31 (2) Audit of any person who receives any grant or gift from or through  
32 the state.

33 (3) Audit of the contract relationships and the fiscal records related  
34 thereto of any person who contracts with the state.

35 (4) Audit of any person who is regulated or licensed by any state  
36 agency or who operates or functions for the benefit of any state institution;  
37 ~~except that this subsection (c)(4) shall not include audit of any person~~  
38 ~~regulated by the state corporation commission~~ **except that any audit of**  
39 **any person regulated by the state corporation commission shall ad-**  
40 **dress only compliance with laws or regulations, collection or re-**  
41 **mittance of taxes or fees, or other matters related directly to state**  
42 **government programs or functions. Any such audit authorized un-**  
43 **der this subsection shall not address corporate governance or fi-**

1 ***nancial issues except as they may relate directly to state government***  
2 ***programs or functions.***

3 (d) (1) Access to all books, accounts, records, files, documents and  
4 correspondence, confidential or otherwise, as authorized under subsec-  
5 tion (b) of this section of any nongovernmental person audited under  
6 authority of subsection (c)(2) of this section shall be limited to those  
7 books, accounts, records, files, documents and correspondence, confi-  
8 dential or otherwise, of such person to which the state governmental  
9 agency which administers the grant or gift and provides for the disburse-  
10 ment thereof is authorized under law to have access.

11 (2) Access to all books, accounts, records, files, documents and cor-  
12 respondence, confidential or otherwise, as authorized under subsection  
13 (b) of this section of any nongovernmental person audited under authority  
14 of subsection (c)(3) of this section shall be limited to those books, ac-  
15 counts, records, files, documents and correspondence, confidential or  
16 otherwise, of such person to which the state governmental agency which  
17 contracts with such person is authorized under law to have access.

18 (3) Access to all books, accounts, records, files, documents and cor-  
19 respondence, confidential or otherwise, as authorized under subsection  
20 (b) of this section of any nongovernmental person audited under authority  
21 of subsection (c)(4) of this section shall be limited to those books, ac-  
22 counts, records, files, documents and correspondence, confidential or  
23 otherwise, of such person to which the state governmental agency which  
24 regulates or licenses such person or the state institution on whose behalf  
25 such person operates or functions is authorized under law to have access.

26 Sec. 2. K.S.A. 46-1114 is hereby repealed.

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