

HOUSE BILL No. 2291

By Committee on Commerce, Labor and Economic Development

Requested by Representative Penn

2-5

1 AN ACT creating the regulatory relief division within the office of the
2 attorney general; establishing the general regulatory sandbox program
3 to waive or suspend administrative rules and regulations for program
4 participants; amending K.S.A. 75-4319 and repealing the existing
5 section.
6

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

8 New Section 1. As used in sections 1 through 7, and amendments
9 thereto:

10 (a) "Agency" means any officer, department, bureau, division, board,
11 authority, agency, commission or institution of this state, except the
12 judicial and legislative branches, that is authorized by law to adopt rules
13 and regulations concerning the administration, enforcement or
14 interpretation of any law of this state;

15 (b) "records" means information that is inscribed on a tangible
16 medium or that is stored in an electronic or other medium and is
17 retrievable in perceivable form; and

18 (c) "written report" means the report written by an applicable agency
19 required by section 3(f), and amendments thereto.

20 New Sec. 2. (a) (1) There is hereby established within the office of
21 the attorney general a regulatory relief division to administer and support
22 the operations of the general regulatory sandbox program.

23 (2) The attorney general shall establish and maintain a principal
24 office for the regulatory relief division within the state, appoint employees
25 and agents as necessary and prescribe the duties and compensation for
26 each employee and agent subject to appropriations. The regulatory relief
27 division shall be headed by a director appointed by the attorney general.
28 Such director shall report to the attorney general and may appoint staff
29 subject to the approval of the attorney general.

30 (b) (1) The regulatory relief division shall:

31 (A) Administer the provisions of this section;

32 (B) administer the general regulatory sandbox program; and

33 (C) act as a liaison between private businesses and applicable
34 agencies to identify rules and regulations that could be waived or
35 suspended under the general regulatory sandbox program.

1 (2) The regulatory relief division may:

2 (A) Review state laws and rules and regulations that may
3 unnecessarily inhibit the creation or success of new and existing
4 companies and provide recommendations to the governor and the
5 legislature on amending or repealing such state laws and rules and
6 regulations;

7 (B) create a framework for analyzing the risk level to the health,
8 safety and financial well-being of consumers related to repealing state
9 laws and repealing or waiving the requirements of rules and regulations
10 identified in subparagraph (A);

11 (C) propose potential reciprocity agreements between states that use
12 or are proposing to use similar general regulatory sandbox programs as
13 described in this section;

14 (D) adopt rules and regulations regarding the administration of the
15 general regulatory sandbox program, including rules and regulations that:

16 (i) Administer the general regulatory sandbox program; and

17 (ii) set forth the general regulatory sandbox program application
18 process and reporting requirements; and

19 (E) consult and cooperate with other agencies in the state relating to
20 the general regulatory sandbox program.

21 (c) (1) There is hereby established the general regulatory sandbox
22 program advisory committee. The advisory committee shall have 11
23 members as follows:

24 (A) Six members who represent business interests from a variety of
25 industries, appointed by the director;

26 (B) three members appointed by the director who represent state
27 agencies that license or regulate businesses;

28 (C) one member of the senate, appointed by the president of the
29 senate; and

30 (D) one member of the house of representatives, appointed by the
31 speaker of the house of representatives.

32 (2) Appointments to the advisory committee made by the director
33 shall be for four-year renewable terms. Appointments to the advisory
34 committee made by the president of the senate and the speaker of the
35 house of representatives shall be for two-year renewable terms. Any
36 vacancy in the membership of the advisory committee shall be filled for
37 the unexpired term in the same manner as provided in this paragraph for
38 the original appointment. Notwithstanding the requirements of this
39 paragraph, the director may adjust the length of terms of appointments to
40 the advisory committee, so that approximately half of the advisory
41 committee is appointed every two years.

42 (3) The director shall select a chairperson from among the members
43 of the advisory committee on an annual basis. A quorum of the advisory

1 committee shall be a majority of the appointed members. All actions of the
2 advisory committee shall be by motion adopted by a majority of those
3 members present when there is a quorum.

4 (4) The advisory committee may meet at any time and at any place
5 within the state upon the call of the chairperson or a majority of the
6 members of the advisory committee.

7 (5) The advisory committee shall advise and make recommendations
8 to the regulatory relief division as described in this section.

9 (6) The regulatory relief division shall provide assistance to the
10 advisory committee to prepare and publish meeting agendas, public
11 notices, meeting minutes and any research, data or information requested
12 by the advisory committee.

13 (7) The advisory committee, in accordance with K.S.A. 75-4319, and
14 amendments thereto, may recess for a closed or executive meeting when it
15 is considering matters relating to applications submitted by applicants.

16 (8) If approved by the legislative coordinating committee, legislative
17 members of the committee attending meetings authorized by the
18 committee shall be paid amounts for expenses, mileage and subsistence as
19 provided in K.S.A. 75-3223(e), and amendments thereto.

20 (d) Beginning in 2027, on or before the first day of each regular
21 legislative session, the director of the regulatory relief division shall
22 prepare and submit a report to the senate standing committee on
23 commerce, the house standing committee on commerce, labor and
24 economic development and the joint committee on administrative rules
25 and regulations or their successor committees. Such report shall include:

26 (1) Information regarding each participant in the general regulatory
27 sandbox program, including which industries each participant represents;

28 (2) the anticipated or actual cost savings that each participant
29 experienced due to such participant's participation in the general regulatory
30 sandbox program;

31 (3) recommendations regarding any laws or rules and regulations that
32 should be repealed or amended;

33 (4) information regarding outcomes for consumers; and

34 (5) recommendations for changes to the general regulatory sandbox
35 program or other duties of the regulatory relief division.

36 New Sec. 3. (a) There is hereby created in the regulatory relief
37 division the general regulatory sandbox program. In the administration of
38 the general regulatory sandbox program, the regulatory relief division:

39 (1) Shall consult with each applicable state agency;

40 (2) shall establish a program to enable a person to obtain legal
41 protections and limited access to the market in the state to demonstrate an
42 innovative offering without obtaining a license, certification, registration
43 or other authorization that might otherwise be required by state law;

1 (3) may enter into agreements with or adopt the best practices of
2 corresponding federal regulatory agencies or other states that are
3 administering similar programs; and

4 (4) may consult with businesses in the state about existing or
5 potential proposals for the general regulatory sandbox program.

6 (b) (1) The regulatory relief division shall provide relevant
7 information regarding the regulatory sandbox program and how to apply
8 for the program. The regulatory relief division may provide assistance to
9 an applicant in preparing an application for submission.

10 (2) An applicant to the general regulatory sandbox program may
11 contact the regulatory relief division to request a consultation regarding
12 the general regulatory sandbox program before submitting an application.

13 (3) An applicant to the general regulatory sandbox program shall
14 provide to the regulatory relief division an application in a form prescribed
15 by the regulatory relief division that:

16 (A) Confirms that the applicant is subject to the jurisdiction of
17 Kansas;

18 (B) confirms that the applicant has established a physical or virtual
19 location in the state from where the demonstration of an innovative
20 offering will be developed and performed and where all required records,
21 documents and data will be maintained;

22 (C) contains relevant personal and contact information for the
23 applicant, including legal names, addresses, telephone numbers, email
24 addresses, website addresses and other information required by the
25 regulatory relief division;

26 (D) discloses criminal convictions of the applicant or other
27 participating personnel, if any;

28 (E) contains a description of the innovative offering to be
29 demonstrated, including statements regarding:

30 (i) How the offering is subject to licensing, legal prohibition or other
31 authorization requirements outside of the general regulatory sandbox
32 program;

33 (ii) each rule and regulation that the applicant seeks to have waived or
34 suspended while participating in the general regulatory sandbox program;

35 (iii) how the offering would benefit consumers;

36 (iv) how the offering is different from other offerings available in the
37 state;

38 (v) what risks might exist for consumers who use or purchase the
39 offering;

40 (vi) how participating in the general regulatory sandbox program
41 would enable a successful demonstration of the offering;

42 (vii) a description of the proposed demonstration plan, including
43 estimated time periods for beginning and ending the demonstration;

1 (viii) recognition that the applicant will be subject to all laws and
2 rules and regulations pertaining to the applicant's offering after conclusion
3 of the demonstration; and

4 (ix) how the applicant will end the demonstration and protect
5 consumers if the demonstration fails;

6 (F) lists each agency, if any, that the applicant reasonably believes to
7 regulate the applicant's business; and

8 (G) provides any other required information as determined by the
9 regulatory relief office.

10 (4) For each application submitted, the regulatory relief office may
11 collect a fee of not to exceed \$250.

12 (5) An applicant shall file a separate application for each innovative
13 offering that the applicant seeks to demonstrate.

14 (c) (1) The application and any related information provided by the
15 applicant shall be confidential and privileged, except that the application
16 and related information may be disclosed to an expert contracted by the
17 division for specific services to review the records.

18 (2) Except as provided in paragraph 1, the application and any related
19 information provided by the applicant shall be confidential and privileged
20 and not be subject to the provisions of the Kansas open records act as
21 provided by K.S.A. 45-215 et seq., and amendments thereto. The
22 provisions of this subsection shall expire on July 1, 2030, unless the
23 legislature reviews and reenacts this provision pursuant to K.S.A. 45-229,
24 and amendments thereto, prior to July 1, 2030.

25 (d) After an application is filed, the regulatory relief office shall:

26 (1) Consult with each applicable agency that regulates the applicant's
27 business to determine if more information is needed from the applicant;
28 and

29 (2) seek any other information from the applicant that the regulatory
30 relief office determines is necessary for an application to be complete.

31 (e) Not later than five business days after the day when a complete
32 application is received, the regulatory relief office shall:

33 (1) Review the application and refer the application to each
34 applicable agency that regulates the applicant's business; and

35 (2) provide to the applicant an acknowledgment of receipt of the
36 application and the identity and contact information of each agency to
37 which the application has been referred for review.

38 (f) (1) Except as provided by this section, not later than 30 days after
39 the day when an applicable agency receives a complete application for
40 review, the applicable agency shall provide a written report to the director
41 of the applicable agency's findings. Such report shall:

42 (A) Describe any identifiable, likely and significant harm to the
43 health, safety or financial well-being of consumers against which the

1 relevant law or rule and regulation protects; and

2 (B) make a recommendation to the regulatory relief office that the
3 application either be admitted or denied entrance into the general
4 regulatory sandbox program.

5 (2) The applicable agency may request an additional five business
6 days to deliver the written report by providing notice to the director. Such
7 request shall automatically be granted, and the applicable agency may only
8 request one extension per application.

9 (3) If the applicable agency recommends that an application should
10 be denied entrance into the general regulatory sandbox program, the
11 written report shall include a description of the reasons for the
12 recommendation, including why a temporary waiver or suspension of the
13 relevant rules and regulations is likely to significantly harm the health,
14 safety or financial well-being of consumers or the public and the
15 likelihood of such harm occurring.

16 (4) If the agency determines that the consumer's or public's health,
17 safety or financial well-being can be protected through less restrictive
18 means than the existing relevant rules and regulations, the applicable
19 agency shall provide a recommendation of how such less restrictive means
20 can be achieved.

21 (5) If an applicable agency fails to deliver a written report as
22 described in this section, the director shall assume that the applicable
23 agency does not object to the temporary waiver or suspension of the
24 relevant rules and regulations for the application seeking to participate in
25 the general regulatory sandbox program.

26 (6) Notwithstanding any other provision of this section, an applicable
27 agency may:

28 (A) By written notice to the regulatory relief office not more than 30
29 days after the date when the applicable agency receives a completed
30 application for review, or within 35 days if an extension has been
31 requested by the applicable agency, reject an application if the applicable
32 agency determines, in the applicable agency's sole discretion, that the
33 applicant's offering fails to comply with standards or specifications
34 required by federal law or regulation or previously approved for use by a
35 federal agency; or

36 (B) reject an application preliminarily approved by the regulatory
37 relief office, if the applicable agency recommended rejection of the
38 application in the agency's written report and provides in the written notice
39 under subparagraph (A) a description of the applicable agency's reasons
40 why approval of the application would create a substantial risk of harm to
41 the health or safety of the public or create unreasonable expenses for
42 taxpayers in the state.

43 (7) If an applicable agency rejects an application under paragraph (6),

1 the regulatory relief office shall not approve such application.

2 (g) (1) Upon receiving a written report, the director shall provide the
3 application and the written report to the advisory committee.

4 (2) The director may call the advisory committee to meet, as needed,
5 but not less than once per quarter if applications are available for review.

6 (3) After receiving and reviewing the application and each written
7 report, the advisory committee shall provide to the director the advisory
8 committee's recommendation as to whether or not the applicant should be
9 admitted as a sandbox participant under this section.

10 (4) As part of the advisory committee's review of each written report,
11 the advisory committee shall use the criteria required for an applicable
12 agency as described in subsection (f).

13 (h) (1) In reviewing an application and each applicable agency's
14 written report, the regulatory relief office shall consult with each
15 applicable agency and the advisory committee before admitting an
16 applicant into the general regulatory sandbox program. Such consultation
17 may seek information regarding whether the applicable agency has
18 previously:

19 (A) Issued a license or other authorization to the applicant; and

20 (B) investigated, sanctioned or pursued legal action against the
21 applicant.

22 (2) In reviewing an application, if a competitor to an applicant is or
23 has been a regulatory relief sandbox program participant, the regulatory
24 relief office and each applicable agency shall weigh such competitor's
25 participation as a factor in favor of allowing the applicant to also become a
26 sandbox participant.

27 (i) In reviewing an application under this section, the regulatory relief
28 office shall consider if:

29 (1) The applicant's plan will adequately protect consumers from
30 potential harm identified by an applicable agency in the written report;

31 (2) the risk of harm to consumers is outweighed by the potential
32 benefits to consumers from the applicant's participation in the general
33 regulatory sandbox program; and

34 (3) certain rules and regulations that regulate an offering should not
35 be waived or suspended even if the applicant is approved as a sandbox
36 participant, including applicable anti-fraud or disclosure provisions.

37 (j) An applicant becomes a sandbox participant if the regulatory relief
38 office approves the application and enters into a written agreement with
39 the applicant describing the specific rules and regulations that are waived
40 or suspended as part of participation in the general regulatory sandbox
41 program.

42 (1) The regulatory relief office shall not enter into a written
43 agreement with an applicant that waives or suspends a tax, fee or charge

1 that is administered under the provisions of chapter 79 of the Kansas
2 Statutes Annotated, and amendments thereto.

3 (2) The director may deny any application submitted under this
4 section for any reason, including if the director determines that suspending
5 or waiving enforcement of rule and regulation would cause a significant
6 risk of harm to consumers or residents of the state.

7 (3) (A) If the director denies an application, the regulatory relief
8 office shall provide to the applicant a written description of the reasons for
9 not allowing the applicant to be a sandbox participant.

10 (B) The denial of an application submitted under this section shall not
11 be subject to the administrative procedure act or the Kansas judicial review
12 act.

13 (C) The director shall deny an application for participation in the
14 general regulatory sandbox program described by this section if the
15 applicant or any person who seeks to participate with the applicant, in
16 demonstrating that an offering has been convicted, entered a plea of nolo
17 contendere for any crime involving significant theft, fraud or dishonesty if
18 the crime bears a significant relationship to the applicant's or other
19 participant's ability to safely and competently participate in the general
20 regulatory sandbox program.

21 (4) When an applicant is approved for participation in the general
22 regulatory sandbox program, the director may provide notice of the
23 approval to competitors of the applicant and to the public.

24 New Sec. 4. (a) If the regulatory relief office approves an application
25 under sections 1 through 3, and amendments thereto, the sandbox
26 participant shall have 12 months after the date when the application was
27 approved to demonstrate the offering described in the application.

28 (b) An offering that is demonstrated within the general regulatory
29 sandbox program is subject to the following limitations:

30 (1) Each consumer shall be a resident of Kansas; and

31 (2) no rule and regulation shall be waived or suspended if such
32 waiver or suspension would prevent a consumer from seeking restitution
33 in the event that the consumer is harmed.

34 (c) (1) A sandbox participant who holds a license or other
35 authorization in another jurisdiction shall not be restricted from acting in
36 accordance with that license or other authorization.

37 (2) A sandbox participant is deemed to possess an appropriate license
38 or other authorization under the laws of the state for the purposes of any
39 provision of federal law requiring licensure or other authorization by the
40 state.

41 (3) Except as provided in paragraph (5), during the demonstration
42 period, a sandbox participant shall not be subject to the enforcement of
43 rules and regulations identified in the written agreement between the

1 regulatory relief office and the sandbox participant described in section
2 3(j), and amendments thereto;

3 (4) (A) A prosecutor shall not file or pursue charges pertaining to a
4 rule and regulation identified in the written agreement between the
5 regulatory relief office and the sandbox participant described in section
6 3(j), and amendments thereto, for any act or omission that occurs during
7 the demonstration period; and

8 (B) an agency shall not file or pursue any punitive action against a
9 sandbox participant, including a fine or license suspension or revocation,
10 for the violation of a rule and regulation that:

11 (i) Is identified as being waived or suspended in the written
12 agreement between the regulatory relief office and the sandbox participant
13 described in section 3(j), and amendments thereto; and

14 (ii) occurs during the demonstration period.

15 (5) Except as provided by paragraph (4)(A), a sandbox participant
16 shall not have immunity related to any criminal offense committed during
17 the sandbox participant's participation in the general regulatory sandbox
18 program.

19 (6) By written notice, the regulatory relief office may end a sandbox
20 participant's participation in the general regulatory sandbox program at any
21 time and for any reason, including if the director determines that a sandbox
22 participant is not operating in good faith to bring an innovative offering to
23 market.

24 (7) The regulatory relief office and the regulatory relief office's
25 employees shall be not held liable for any business losses or the recouping
26 of application expenses or other expenses related to the general regulatory
27 sandbox program, including for:

28 (A) Denying an applicant's application to participate in the general
29 regulatory sandbox program; or

30 (B) ending a sandbox participant's participation in the general
31 regulatory sandbox program at any time for any reason.

32 New Sec. 5. (a) Before demonstrating an offering to a consumer, a
33 sandbox participant shall disclose to the consumer:

34 (1) The name and contact information of the sandbox participant;

35 (2) that the offering is authorized pursuant to the general regulatory
36 sandbox program and, if applicable, that the sandbox participant does not
37 have a license or other authorization to provide an offering under state
38 laws that regulate offerings outside of the general regulatory sandbox
39 program;

40 (3) that the offering is undergoing testing and may not function as
41 intended and may expose the consumer to certain risks as identified by the
42 applicable agency's written report;

43 (4) that the provider of the offering is not immune from civil liability

1 for any losses or damages caused by the offering;

2 (5) that the provider of the offering is not immune from criminal
3 prosecution for violations of state law or rules and regulations that are not
4 suspended or waived as allowed by the general regulatory sandbox
5 program;

6 (6) that the offering is a temporary demonstration that may be
7 discontinued at the end of the demonstration period;

8 (7) the expected end date of the demonstration period; and

9 (8) that a consumer may contact the regulatory relief office and file a
10 complaint regarding the offering being demonstrated and provide the
11 regulatory relief office's telephone number and website address where a
12 complaint may be filed.

13 (b) The disclosures required by subsection (a) shall be provided to a
14 consumer in a clear and conspicuous form, and for an offering on a
15 website or application, a consumer shall acknowledge receipt of the
16 disclosure before any transaction may be completed.

17 (c) The regulatory relief office may require that a sandbox participant
18 make additional disclosures to a consumer.

19 New Sec. 6. (a) At least 30 days before the end of the 12-month
20 general regulatory sandbox program demonstration period, a sandbox
21 participant shall:

22 (1) Notify the regulatory relief office that the sandbox participant will
23 leave the general regulatory sandbox program and discontinue the sandbox
24 participant's demonstration after the day on which the 12-month
25 demonstration period ends; or

26 (2) seek an extension pursuant to subsection (d).

27 (b) If the regulatory relief office does not receive notification
28 pursuant to subsection (a), the general regulatory sandbox program
29 demonstration period shall end at the end of the 12-month testing period.

30 (c) If a demonstration includes an offering that requires ongoing
31 duties, the sandbox participant may continue to do so but shall be subject
32 to enforcement of the rules and regulations that were waived or suspended
33 as part of the general regulatory sandbox program.

34 (d) Not later than 30 days before the end of the 12-month general
35 regulatory sandbox program demonstration period, a sandbox participant
36 may request an extension of the general regulatory sandbox program
37 demonstration period.

38 (1) The regulatory relief office shall grant or deny a request for an
39 extension in accordance with subsection (a) by the end of the 12-month
40 general regulatory sandbox program testing period.

41 (2) The regulatory relief office may grant an extension in accordance
42 with this section for not more than 12 months after the end of the general
43 regulatory sandbox program demonstration period.

1 New Sec. 7. (a) A sandbox participant shall retain records, documents
2 and data produced in the ordinary course of business regarding an offering
3 demonstrated in the general regulatory sandbox program.

4 (1) If a sandbox participant ceases to provide an offering before the
5 end of a demonstration period, the sandbox participant shall notify the
6 regulatory relief office and each applicable agency and report on actions
7 taken by the sandbox participant to ensure consumers have not been
8 harmed as a result.

9 (2) The regulatory relief office shall establish quarterly reporting
10 requirements for a sandbox participant, including information about any
11 consumer complaints.

12 (3) The regulatory relief office may request records, documents and
13 data from a sandbox participant, and upon the regulatory relief office's
14 request, the sandbox participant shall make such records, documents and
15 data available for inspection by the regulatory relief office.

16 (b) (1) Within three business days, the sandbox participant shall
17 notify the regulatory relief office, each applicable agency and the joint
18 committee on administrative rules and regulations of the existence of any
19 incidents that result in harm to the health, safety or financial well-being of
20 a consumer. Within seven business days, the sandbox participant shall
21 provide the details surrounding any such incident to the regulatory relief
22 office, each applicable agency and the joint committee on administrative
23 rules and regulations.

24 (2) If a sandbox participant fails to notify the regulatory relief office
25 and each applicable agency of any incidents as described in this subsection
26 or the regulatory relief office or an applicable agency has evidence that
27 significant harm to a consumer has occurred, the regulatory relief office
28 may immediately remove the sandbox participant from the general
29 regulatory sandbox program.

30 (c) Not later than 30 days after the date when a sandbox participant
31 leaves the general regulatory sandbox program, the sandbox participant
32 shall submit an exit report to the regulatory relief office, each applicable
33 agency and the joint committee on administrative rules and regulations
34 describing an overview of the sandbox participant's demonstration,
35 including any:

36 (1) Incidents of harm to consumers;

37 (2) legal action filed against the participant as a result of the
38 participant's demonstration; and

39 (3) complaints filed with an applicable agency as a result of the
40 participant's demonstration.

41 (d) Not later than 30 days after the date when an applicable agency
42 receives the quarterly reporting described in subsection (g) or an exit
43 report from a sandbox participant as described in subsection (c), the

1 applicable agency shall provide a written report to the regulatory relief
2 office and the joint committee on administrative rules and regulations on
3 the demonstration that describes any statutory or regulatory reform that the
4 applicable agency recommends as a result of the demonstration.

5 (e) The regulatory relief office may remove a sandbox participant
6 from the general regulatory sandbox program at any time if the regulatory
7 relief office determines that a sandbox participant has engaged in, is
8 engaging in, or is about to engage in any practice or transaction that is in
9 violation of sections 1 through 7, and amendments thereto, or constitutes a
10 violation of a law or rule and regulation for which suspension or waiver
11 has not been granted.

12 (f) The regulatory relief office shall create and maintain a website
13 that invites residents and businesses in the state to make suggestions
14 regarding laws and rules and regulations that could be modified or
15 eliminated to reduce the regulatory burden of residents and businesses in
16 the state.

17 (g) (1) On at least a quarterly basis, the regulatory relief office shall
18 compile the results of suggestions from the website and provide a report to
19 the governor, the senate standing committee on commerce, the house
20 standing committee on commerce, labor and economic development and
21 the joint committee on administrative rules and regulations or their
22 successor committees.

23 (2) In creating such report, the regulatory relief office:

24 (A) Shall ensure that private information of residents and businesses
25 that make suggestions on the website is not made public; and

26 (B) may evaluate the suggestions and provide analysis and
27 suggestions regarding which state laws and rules and regulations could be
28 modified or eliminated to reduce the regulatory burden on residents and
29 businesses in the state while still protecting consumers.

30 Sec. 8. K.S.A. 75-4319 is hereby amended to read as follows: 75-
31 4319. (a) Upon formal motion made, seconded and carried, all public
32 bodies and agencies subject to the open meetings act may recess, but not
33 adjourn, open meetings for closed or executive meetings. Any motion to
34 recess for a closed or executive meeting shall include: (1) A statement
35 describing the subjects to be discussed during the closed or executive
36 meeting; (2) the justification listed in subsection (b) for closing the
37 meeting; and (3) the time and place at which the open meeting shall
38 resume. The complete motion shall be recorded in the minutes of the
39 meeting and shall be maintained as a part of the permanent records of the
40 public body or agency. Discussion during the closed or executive meeting
41 shall be limited to those subjects stated in the motion.

42 (b) Justifications for recess to a closed or executive meeting may only
43 include the following, the need:

- 1 (1) To discuss personnel matters of nonelected personnel;
- 2 (2) for consultation with an attorney for the public body or agency,
- 3 which would be deemed privileged in the attorney-client relationship;
- 4 (3) to discuss employer-employee negotiations whether or not in
- 5 consultation with the representative or representatives of the public body
- 6 or agency;
- 7 (4) to discuss data relating to financial affairs or trade secrets of
- 8 corporations, partnerships, trusts, and individual proprietorships;
- 9 (5) to discuss matters relating to actions adversely or favorably
- 10 affecting a person as a student, patient or resident of a public institution,
- 11 except that any such person shall have the right to a public hearing if
- 12 requested by the person;
- 13 (6) for the preliminary discussion of the acquisition of real property;
- 14 (7) to discuss matters relating to parimutuel racing permitted to be
- 15 discussed in a closed or executive meeting pursuant to K.S.A. 74-8804,
- 16 and amendments thereto;
- 17 (8) to discuss matters relating to the care of children permitted to be
- 18 discussed in a closed or executive meeting pursuant to K.S.A. 38-2212(d)
- 19 (1) or 38-2213(e), and amendments thereto;
- 20 (9) to discuss matters relating to the investigation of child deaths
- 21 permitted to be discussed in a closed or executive meeting pursuant to
- 22 K.S.A. 22a-243(j), and amendments thereto;
- 23 (10) to discuss matters relating to patients and providers permitted to
- 24 be discussed in a closed or executive meeting pursuant to K.S.A. 39-
- 25 7,119(g), and amendments thereto;
- 26 (11) to discuss matters required to be discussed in a closed or
- 27 executive meeting pursuant to a tribal-state gaming compact;
- 28 (12) to discuss matters relating to security measures, if the discussion
- 29 of such matters at an open meeting would jeopardize such security
- 30 measures, that protect: (A) Systems, facilities or equipment used in the
- 31 production, transmission or distribution of energy, water or
- 32 communications services; (B) transportation and sewer or wastewater
- 33 treatment systems, facilities or equipment; (C) a public body or agency,
- 34 public building or facility or the information system of a public body or
- 35 agency; or (D) private property or persons, if the matter is submitted to the
- 36 public body or agency for purposes of this paragraph. For purposes of this
- 37 paragraph, security means measures that protect against criminal acts
- 38 intended to intimidate or coerce the civilian population, influence
- 39 government policy by intimidation or coercion or to affect the operation of
- 40 government by disruption of public services, mass destruction,
- 41 assassination or kidnapping. Security measures include, but are not limited
- 42 to, intelligence information, tactical plans, resource deployment and
- 43 vulnerability assessments;

1 (13) to discuss matters relating to maternity centers and child care
2 facilities permitted to be discussed in a closed or executive meeting
3 pursuant to K.S.A. 65-525(d), and amendments thereto;

4 (14) to discuss matters relating to the office of inspector general
5 permitted to be discussed in a closed or executive meeting pursuant to
6 K.S.A. 75-7427, and amendments thereto; ~~and~~

7 (15) for the governor's domestic violence fatality review board to
8 conduct case reviews;

9 *(16) for the general regulatory sandbox program advisory committee*
10 *to discuss applications to the general regulatory sandbox program.*

11 (c) No binding action shall be taken during closed or executive
12 recesses, and such recesses shall not be used as a subterfuge to defeat the
13 purposes of this act.

14 (d) Any confidential records or information relating to security
15 measures provided or received under the provisions of subsection (b)(12),
16 shall not be subject to subpoena, discovery or other demand in any
17 administrative, criminal or civil action.

18 Sec. 9. K.S.A. 75-4319 is hereby repealed.

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