

As Amended by House Committee

Session of 2026

HOUSE BILL No. 2788

By Committee on Appropriations

Requested by Representative K. Williams

2-27

1 AN ACT concerning the department for children and families; establishing
2 a business enterprise program oversight task force; providing for the
3 membership, duties and dissolution of such task force; requiring the
4 task force to submit a report to the legislature; permitting ~~such task~~
5 ~~force to request that legislative post audit conduct~~ an audit of the
6 business enterprise program; naming the existing program as the
7 business enterprise program and renaming the vending facilities
8 advisory committee to the committee of blind vendors; establishing the
9 business enterprise program fund in the state treasury and transferring
10 moneys to such fund from the vending facilities account outside the
11 state treasury; requiring the secretary to provide notice to the
12 committee when rejecting input thereof; **providing requirements for**
13 **the election of members of the committee;** amending K.S.A. 75-
14 3337, 75-3339a, 75-3340 and 75-3343 and repealing the existing
15 sections.

16
17 *Be it enacted by the Legislature of the State of Kansas:*

18 New Section 1. (a) There is hereby established the business enterprise
19 program oversight task force. The purpose of the task force shall be to
20 study, discuss and make recommendations on the administration,
21 accountability and integrity of the business enterprise program for blind
22 individuals of the Kansas department for children and families
23 administered pursuant to the provisions of the Randolph-Sheppard vending
24 stand act, 20 U.S.C. § 107 et seq. and K.S.A. 75-3337 et seq., and
25 amendments thereto.

26 (b) The task force shall study, discuss and make recommendations on
27 the following:

28 (1) State statutes, administrative rules and regulations and department
29 policies governing the business enterprise program;

30 (2) blind vendor recruitment, licensing and selection processes;

31 (3) training, services and supports for licensed blind vendors;

32 (4) procedures for collection, distribution and expenditures of set-
33 aside funds;

34 (5) required reports by and accounting practices of licensed blind
35 vendors;

1 (6) complaints, disputes and allegations of misconduct in the
2 administration of the program and payments to licensed blind vendors;

3 (7) department and committee of blind vendors accounting and set-
4 aside funds;

5 (8) compliance with state and federal statutes; and

6 (9) structure, bylaws, leadership and voting requirements of the
7 committee of blind vendors as provided for by K.S.A. 75-3343, and
8 amendments thereto.

9 (c) The task force shall consist of ~~seven~~ **nine** members as follows:

10 (1) One member appointed by the speaker of the house of
11 representatives;

12 (2) one member who is a current or former licensed blind vendor
13 appointed by the majority leader of the house of representatives;

14 (3) one member appointed by the minority leader of the house of
15 representatives;

16 (4) one member appointed by the president of the senate;

17 (5) one member who is a current or former licensed blind vendor
18 appointed by the majority leader of the senate;

19 (6) one member appointed by the minority leader of the senate; and

20 (7) one member appointed by the governor;

21 **(8) the secretary for children and families or such secretary's**
22 **designee, who shall serve as an ex officio nonvoting member; and**

23 **(9) one member appointed by the American council of the blind,**
24 **who shall serve as an ex officio nonvoting member.**

25 (d) **The secretary shall notify the American council of the blind**
26 **regarding the appointment of the member described in subsection (c)**
27 **(9) and provide any assistance to such council regarding the**
28 **appointment or task force.**

29 (e) The term of the members of the task force shall expire on June 30,
30 2028, unless otherwise extended pursuant to subsection (k). Any vacancy
31 in members of the task force shall be filled in the same manner as the
32 original appointment. The chairperson of the task force shall be appointed
33 by the speaker of the house of representatives.

34 ~~(e)~~**(f)** The task force may meet at any time, at any place within the
35 state and through any means upon call of the chairperson.

36 ~~(f)~~**(g)** All actions taken by the task force shall be made by motion and
37 adopted by a majority of members when there is a quorum present. A
38 quorum of the task force shall be four members.

39 ~~(g)~~**(h)** Members of the task force attending meetings authorized by
40 the task force shall be paid amounts of expenses, mileage and subsistence
41 as provided in K.S.A. 75-3223(e), and amendments thereto, from the state
42 operations account of the state general fund of the Kansas department for
43 children and families. Members attending meetings through remote means

1 shall not be paid such expenses, mileage or subsistence.

2 ~~(h)~~(i) The staff of the Kansas department for children and families,
3 the office of revisor of statutes, the legislative research department, the
4 division of legislative administrative services and the division of
5 legislative post audit shall provide assistance as may be requested by the
6 task force.

7 ~~(i)~~(j) On or before July 1, 2027, the task force shall submit to the
8 legislature a report on the task force's findings and recommendations for
9 the business enterprise program.

10 ~~(j)~~(k) (1) ~~On or before July 1, 2027, subject to a request submitted by~~
11 ~~the task force, Subject to approval by~~ the legislative post audit committee
12 ~~shall direct, the legislative division of post audit to~~ **may** conduct the
13 following audits of the business enterprise program for blind individuals of
14 the Kansas department for children and families:

15 (A) A fiscal audit of the program's revenues, earnings, expenditures
16 and set-aside funds and whether such items are accurately collected,
17 reported and used in accordance with state and federal law, which may
18 include an audit of a representative sample of vending facility sites and an
19 evaluation of the benefits to participating licensed blind vendors; and

20 (B) a performance audit of the program and whether such program
21 provides the required services and operates in compliance with state and
22 federal law, which may include a review of training, support services,
23 equipment assistance, fair and equitable distribution and access to vendors,
24 selection and placement of vendors and the available grievance and
25 dispute resolution processes.

26 (2) On or before June 30, 2028, if ~~requested~~ **approved**, such audit
27 shall be reported to the legislative post audit committee and then
28 subsequently to the task force.

29 ~~(k)~~(l) The provisions of this section shall expire on June 30, 2028,
30 unless otherwise extended for one year by a majority vote of the legislative
31 coordinating council on an annual basis. If such task force is extended,
32 members shall be appointed in accordance with subsection (c).

33 Sec. 2. K.S.A. 75-3337 is hereby amended to read as follows: 75-
34 3337. (a) *The program administered pursuant to K.S.A. 75-3337 et seq.,*
35 *and amendments thereto, is hereby named the business enterprise program*
36 *for blind individuals of the Kansas department for children and families or*
37 *the business enterprise program.*

38 (b) For the purpose of providing blind persons with remunerative
39 employment, enlarging the economic opportunities of the blind; and
40 stimulating the blind to greater efforts in striving to make themselves self-
41 supporting, blind persons licensed under the provisions of 20 U.S.C. §
42 107, of 1936, and amendments thereto, an act of the congress of the United
43 States of America commonly known as the Randolph-Sheppard vending

1 stand act, shall be authorized to operate vending facilities on any state,
2 county and city or other property.

3 (c) In authorizing the operation of vending facilities on state, county
4 and city property preference shall be given, so far as feasible, to blind
5 persons licensed by the division of services for the blind of the Kansas
6 department for children and families; and the head of each department or
7 agency in control of the maintenance, operation and protection of state
8 property shall, after consultation with the secretary for children and
9 families, prescribe regulations designed to assure such preference,
10 including exclusive assignment of vending machine income to achieve and
11 protect such preference for such licensed blind persons without adversely
12 affecting the interests of the state of Kansas.

13 Sec. 3. K.S.A. 75-3339a is hereby amended to read as follows: 75-
14 3339a. ~~There is hereby established the vending facilities account, to which~~
15 ~~shall be credited all moneys received by or for the secretary for children~~
16 ~~and families in connection with the program authorized by K.S.A. 75-3337~~
17 ~~et seq., and amendments thereto. All such moneys shall be deposited in a~~
18 ~~bank account designated by the pooled money investment board. Checks~~
19 ~~may be written upon such bank account for such program upon the~~
20 ~~signature of a person or persons designated by the secretary for children~~
21 ~~and families. Moneys of the vending facilities account shall not be in or a~~
22 ~~part of the state treasury but shall be subject to post audit under article 11~~
23 ~~of chapter 46 of Kansas Statutes Annotated, and amendments thereto.~~(a)
24 *On July 30, 2027, the vending facilities account established outside the*
25 *state treasury is hereby abolished.*

26 (b) *There is hereby created in the state treasury the business*
27 *enterprise program fund. All moneys received by or for the secretary for*
28 *children and families in connection with the program authorized by K.S.A.*
29 *75-3337 et seq., and amendments thereto, shall be credited to such fund.*
30 *All expenditures from the fund shall be made in accordance with*
31 *appropriation acts upon warrants of the director of accounts and reports*
32 *issued pursuant to vouchers approved by the secretary. The secretary shall*
33 *provide a separate accounting of any moneys in such fund that are set*
34 *aside from the proceeds of the operation of the vending facilities and*
35 *maintain records of amounts collected and expended in compliance with*
36 *K.S.A. 75-3340(a)(2), and amendments thereto.*

37 (c) *On July 1, 2027, the secretary for children and families shall*
38 *certify the entire amount of moneys in the vending facilities account held*
39 *outside the state treasury pursuant to subsection (a) to the state treasurer.*
40 *On or before July 30, 2027, the secretary shall withdraw the certified*
41 *amount of moneys from such account and remit such moneys to the state*
42 *treasurer, who shall deposit such funds in the state treasury and credit to*
43 *the business enterprise program fund. Upon such deposit and credit, the*

1 *state treasurer shall certify that such amount has been credited to the*
2 *business enterprise fund in the state treasury and transmit a copy of such*
3 *certification to the director of the budget and the director of legislative*
4 *research.*

5 Sec. 4. K.S.A. 75-3340 is hereby amended to read as follows: 75-
6 3340. (a) The division of services for the blind of the Kansas department
7 for children and families shall:

8 (1) Provide for each licensed blind person such vending facility
9 equipment, and adequate initial stock of suitable articles to be vended
10 therefrom as may be necessary. Such equipment and stock may be owned
11 by the division of services for the blind, or by the blind individual to
12 whom the license is issued. If ownership of such equipment is vested in
13 the blind licensee:

14 (A) The division of services for the blind shall retain a first option to
15 repurchase such equipment; and

16 (B) in the event such individual dies or for any other reason ceases to
17 be a licensee or transfers to another vending facility, ownership of such
18 equipment shall become vested in the division of services for the blind, for
19 transfer to a successor licensee, subject to an obligation on the part of the
20 division of services for the blind to pay to such individual or to such
21 individual's estate the fair value of such individual's interest therein as later
22 determined in accordance with rules and regulations of the division of
23 services for the blind and after opportunity for a fair hearing.

24 (2) If any funds are set aside, or caused to be set aside, from the
25 proceeds of the operation of the vending facilities such funds shall be set
26 aside, or caused to be set aside, only to the extent necessary for and may
27 be used only for the purposes of: (A) Maintenance and replacement of
28 equipment; (B) the purchase of new equipment; (C) management services;
29 and (D) assuring a fair minimum return to operators of vending facilities.
30 In no event shall the amount of such funds to be set aside from the
31 proceeds of any vending facility exceed a reasonable amount as
32 determined by the provisions of 20 U.S.C. § 107, of 1936, and
33 amendments thereto, an act of congress commonly known as the
34 Randolph-Sheppard vending stand act.

35 (3) If inventories are required by the division of services for the blind
36 to be made of the stock and supplies of vending facilities, permit the
37 licensed operator to elect to make such licensed operator's own inventories
38 and report the same on forms furnished by the division. Inventory of each
39 vending facility shall be made at least once every four months. In the event
40 of the election of the licensed operator to make such licensed operator's
41 own inventory, the division shall have the right to take an inventory of the
42 vending facility at any mutually agreeable time.

43 (4) Issue such rules and regulations, consistent with the provisions of

1 ~~this chapter~~ K.S.A. 75-3337 *et seq.*, and amendments thereto, as may be
2 necessary for the operation of this program.

3 (5) Provide to any blind licensee dissatisfied with any action arising
4 from the operation or administration of the ~~vending facility business~~
5 *enterprise* program an opportunity for a fair hearing, including binding
6 arbitration by three persons consisting of one person designated by the
7 director of the division of services for the blind, one person designated by
8 the licensed blind operator and a third person selected by the two.

9 (6) In employing any personnel as may be necessary for the operation
10 of the ~~vending facility business enterprise~~ program, give preference to
11 blind persons who are capable of discharging the required duties, except
12 that the licensed operator of a vending facility shall have final authority to
13 hire and to discharge employees of the licensed operator's vending facility.

14 (b) Hearings under this section shall be conducted in accordance with
15 the provisions of the Kansas administrative procedure act.

16 Sec. 5. K.S.A. 75-3343 is hereby amended to read as follows: 75-
17 3343. (a) There is hereby established a ~~vending facilities advisory~~
18 *committee of blind vendors* to the division of services for the blind
19 consisting of five members, who shall be designated and certified annually
20 by the board of directors of the Randolph-Sheppard vendors of Kansas,
21 inc., a nonprofit organization of blind vending facilities operators, ~~and~~.

22 (b) **The committee of blind vendors shall adopt a method for the**
23 **election of members of the committee. Such method shall include a**
24 **requirement that the election of members be conducted by secret**
25 **ballot. The committee shall provide such selected election method to**
26 **the secretary for children and families, who shall appoint a designee to**
27 **be present at each biennial election of the committee as a neutral party**
28 **and provide for and facilitate fair elections of the committee in**
29 **accordance with the adopted method. The committee may adopt a**
30 **different election method upon a majority vote of the committee but**
31 **shall maintain the requirement for a secret ballot.**

32 (c) The director of the division of services for the blind shall meet
33 with ~~said advisory such committee~~ at least ~~one time~~ *once* annually for the
34 purpose of mutual advice and *meaningful active* consultation; ~~and~~. The
35 actual expenses incurred by the members of ~~said advisory such committee~~
36 in attendance of such meetings are hereby authorized to be reimbursed by
37 ~~said division of services for the blind~~. *Provided, the secretary. Notice of*
38 *such meetings shall state the purpose, date, time and place of meeting and,*
39 *if possible, include the agenda. Such notice shall be provided to each*
40 *member of the committee within five business days of the meeting.*

41 ~~(b)(d)~~ Special meetings may be called upon the written request of the
42 ~~director of the division of services for the blind which secretary. Such~~
43 special meeting shall convene within ~~fifteen (15) days of the making of~~

1 such written request: ~~And provided further,~~ Expenses incurred by the
2 members of ~~said such committee in their~~ for attendance of special
3 meetings convened at ~~their~~ the members' request shall not be reimbursed
4 as ~~hereinbefore stated~~.

5 ~~(c)~~(e) *The secretary shall consider committee input in good faith in*
6 *making decisions regarding the program. If the secretary rejects the*
7 *committee's input, the secretary shall provide a written notice to the*
8 *committee of the reasons for such decision.*

9 Sec. 6. K.S.A. 75-3337, 75-3339a, 75-3340 and 75-3343 are hereby
10 repealed.

11 Sec. 7. This act shall take effect and be in force from and after its
12 publication in the statute book.