

Journal of the House

FORTY-FIFTH DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Thursday, May 21, 2020, 8:00 a.m.

The House met pursuant to adjournment with Speaker Ryckman in the chair.

LETTER OF RESIGNATION

To: The Honorable Scott Schwab, Secretary of State
15 May, 2020

Effective May 15, 2020, I, David L. Benson, hereby resign my position as Representative of the 48th District of the Kansas House of Representatives.

David L. Benson

The House is temporarily organized with 124 members.

The roll was called with 121 members present.

Reps. Kuether, Mastroni and Moore were excused on excused absence by the Speaker.

Excused later: Reps. Bishop, Finney, Frownfelter, Horn, Murnan, Neighbor, Phillips, L. Ruiz.

Prayer by Chaplain Brubaker,

Almighty Loving & Creator God, thank you for this day and bringing us together, albeit a different type of togetherness.

Wowzers, Lord – how things have changed since we all met together as a whole. What unprecedented and uncharted waters our leaders – well, all of us – have been wading through. We are reminded of the finiteness of our wisdom and the all-surpassing omniscience of You in this whole situation.

As our leaders meet today for the last day of this session, at least that's what we plan, to address the social, economic and financial issues of this pandemic, I pray that their decisions will be not be based upon fear, but upon boldness; not with control and manipulation but with openness and willingness; not with deception but with integrity and transparency; not with selfish ambition, but by being selfless. Most of all, may their decisions be based upon Your wisdom, not upon theirs.

And may we all be encouraged by your promise in Joshua 1:9: "...Be strong and courageous. Do not be afraid; do not be discouraged, for the Lord your God will be with you wherever you go."

This I pray in Christ's Name, Amen.

MAY 21, 2020

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The Pledge of Allegiance was led by Rep. Croft.

MESSAGE FROM THE GOVERNOR

HB 2168, HB 2595 approved on April 2, 2020.

MESSAGES FROM THE GOVERNOR

March 20, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-08 for your information.

EXECUTIVE ORDER NO. 20-08

Temporarily expanding telemedicine and addressing certain licensing requirements to combat the effects of COVID-19

LAURA KELLY
Governor

March 20, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-09 for your information.

EXECUTIVE ORDER NO. 20-09

Conditional and temporary relief from certain motor carrier rules and regulations in response to the COVID-19 pandemic

LAURA KELLY
Governor

March 23, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-10 for your information.

EXECUTIVE ORDER NO. 20-10

Rescinding Executive Order 20-06 and temporarily prohibiting certain foreclosures and evictions

LAURA KELLY
Governor

March 23, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-11 for your information.

EXECUTIVE ORDER NO. 20-11

Temporarily requiring continuation of waste removal and recycling services

LAURA KELLY
Governor

March 23, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-12 for your information.

EXECUTIVE ORDER NO. 20-12

Drivers' license and vehicle registration and regulation during public health emergency

LAURA KELLY
Governor

March 23, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-13 for your information.

EXECUTIVE ORDER NO. 20-13

Allowing certain deferred tax deadlines and payments during the COVID-19 pandemic

LAURA KELLY
Governor

March 24, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-14 for your information.

EXECUTIVE ORDER NO. 20-14

Temporarily prohibiting mass gatherings of 10 or more people to limit the spread of COVID-19 and rescinding Executive Order 20-04

LAURA KELLY
Governor

March 24, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-15 for your information.

EXECUTIVE ORDER NO. 20-15

Establishing the Kansas Essential Function Framework for COVID-19 response efforts

Laura Kelly
Governor

March 28, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-16 for your information.

EXECUTIVE ORDER NO. 20-16

Establishing a statewide "stay home" order in conjunction with the Kansas

MAY 21, 2020

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Essential Function Framework for COVID-19 response efforts

LAURA KELLY
Governor

March 31, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-17 for your information.

EXECUTIVE ORDER NO. 20-17

Temporary relief from certain unemployment insurance requirements in response to the COVID-19 pandemic

LAURA KELLY
Governor

April 7, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-18 for your information.

EXECUTIVE ORDER NO. 20-18

Temporarily prohibiting mass gatherings of more than 10 people to limit the spread of COVID-19 and rescinding Executive Order 20-14

LAURA KELLY
Governor

April 9, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-19 for your information.

EXECUTIVE ORDER NO. 20-19

Extending professional and occupational licenses during the COVID-19 pandemic

LAURA KELLY
Governor

April 9, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-20 for your information.

EXECUTIVE ORDER NO. 20-20

Temporarily allowing notaries and witnesses to act via audio-video communication technology

LAURA KELLY
Governor

April 9, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-21 for your information.

EXECUTIVE ORDER NO. 20-21

Suspending the issuance of general nonresident spring 2020 turkey permits

LAURA KELLY
Governor

April 13, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-22 for your information.

EXECUTIVE ORDER NO. 20-22

Extending conditional and temporary relief from certain motor carrier rules and regulations in response to the COVID-19 pandemic

LAURA KELLY
Governor

April 15, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-23 for your information.

EXECUTIVE ORDER NO. 20-23

Licensure, Certification, and Registration for persons and Licensure of “Adult Care Homes” during public health emergency

LAURA KELLY
Governor

April 16, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-24 for your information.

EXECUTIVE ORDER NO. 20-24

Extending Executive Order 20-16 to May 3, 2020

LAURA KELLY
Governor

April 17, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-25 for your information.

EXECUTIVE ORDER NO. 20-25

Temporarily prohibiting mass gatherings of more than 10 people to limit the spread of COVID-19 and rescinding Executive Order 20-18

LAURA KELLY
Governor

April 22, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-26 for your information.

MAY 21, 2020

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EXECUTIVE ORDER NO. 20-26

Temporary relief from certain restrictions and requirements governing the provision of medical services

LAURA KELLY
Governor

April 22, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-27 for your information.

EXECUTIVE ORDER NO. 20-27

Temporarily suspending certain rules relating to the sale of alcoholic beverages

LAURA KELLY
Governor

April 30, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-28 for your information.

EXECUTIVE ORDER NO. 20-28

Reissuing and extending certain Executive Orders relating to the COVID-19 pandemic

LAURA KELLY
Governor

April 30, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-29 for your information.

EXECUTIVE ORDER NO. 20-29

Implementing Phase One of “Ad Astra: A Plan to Reopen KANSAS”

LAURA KELLY
Governor

May 6, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-30 for your information.

EXECUTIVE ORDER NO. 20-30

Displaying the flag at half-staff

LAURA KELLY
Governor

May 14, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-31 for your information.

EXECUTIVE ORDER NO. 20-31

Implementing Phase 1.5 of “Ad Astra: A Plan to Reopen KANSAS”

LAURA KELLY
Governor

May 14, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-32 for your information.

EXECUTIVE ORDER NO. 20-32

Temporary relief from certain restrictions concerning shared work programs

LAURA KELLY
Governor

May 14, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-33 for your information.

EXECUTIVE ORDER NO. 20-33

Extending conditional and temporary relief from certain motor carrier rules and regulations in response to the COVID-19 pandemic

LAURA KELLY
Governor

May 19, 2020

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Order No. 20-34 for your information.

EXECUTIVE ORDER NO. 20-34

Implementing Phase 2 of “Ad Astra: A Plan to Reopen KANSAS”

LAURA KELLY
Governor

The above Executive Orders are on file and open for inspection in the office of the Chief Clerk.

MESSAGES FROM THE GOVERNOR

March 19, 2020

Message to the House of Representatives of the State of Kansas:

Enclosed herewith is Executive Directive No. 20-513 for your information.

EXECUTIVE DIRECTIVE No. 20-513
Concerning Authorizing Personnel Transactions
and
Authorizing Expenditure of Federal Funds

MAY 21, 2020

2645

LAURA KELLY
Governor

April 16, 2020

Message to the House of Representatives of the State of Kansas:

Enclosed herewith is Executive Directive No. 20-514 for your information.

EXECUTIVE DIRECTIVE No. 20-514
Concerning Authorizing Expenditure of Federal Funds

LAURA KELLY
Governor

April 27, 2020

Message to the House of Representatives of the State of Kansas:

Enclosed herewith is Executive Directive No. 20-515 for your information.

EXECUTIVE DIRECTIVE No. 20-515
Concerning Authorizing Expenditure of Federal Funds

LAURA KELLY
Governor

May 20, 2020

Message to the House of Representatives of the State of Kansas:

Enclosed herewith is Executive Directive No. 20-516 for your information.

EXECUTIVE DIRECTIVE No. 20-516
Concerning Authorizing Expenditure of Federal Funds

LAURA KELLY
Governor

The above Executive Directives are on file and open for inspection in the office of the Chief Clerk.

COMMUNICATIONS FROM STATE OFFICERS

From Randy Cason, Chair and Adam Profitt, Medicaid Director, Kansas Department of Health and Environment; Report from the Health Care Access Improvement Panel for May 2019

The complete report is kept on file and open for inspection in the office of the Chief Clerk.

REPORTS OF STANDING COMMITTEES

Committee on **Commerce, Labor and Economic Development** recommends **SB 251**, as amended by Senate Committee, be amended on page 1, in line 17, before "K.S.A" by inserting "On and after July 1, 2022,"; in line 22, before "K.S.A" by inserting "On and after July 1, 2022,"; in line 29, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 3, in line 14, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 4, following line 3, by inserting:

"Sec. 5. K.S.A. 17-2711 is hereby amended to read as follows: 17-2711. The corporate name of a corporation organized and operating hereunder may be any name not contrary to law or the ethics of the profession involved. Such name may include any name set forth in K.S.A. 17-6002, but in all cases the corporate name shall end with the word "chartered" or "professional association" or the abbreviation "P.A." or "PA". The abbreviations "P.A." and "PA." shall be considered to be identical."

Also on page 4, in line 4, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 5, in line 11, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 6, in line 10, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 7, in line 10, before "K.S.A" by inserting "On and after July 1, 2022,"; by striking all in lines 33 through 43;

By striking all on page 8 and inserting:

"Sec. 10. K.S.A. 2019 Supp. 17-6014 is hereby amended to read as follows: 17-6014. (a) Except as otherwise provided in subsections (b) and (c), the provisions of the Kansas general corporation code shall apply to nonstock corporations in the manner specified in this subsection:

(1) All references to stockholders of the corporation shall be deemed to refer to members of the corporation;

(2) all references to the board of directors of the corporation shall be deemed to refer to the governing body of the corporation;

(3) all references to directors or to members of the board of directors of the corporation shall be deemed to refer to members of the governing body of the corporation; and

(4) all references to stock, capital stock, or shares thereof of a corporation authorized to issue capital stock shall be deemed to refer to memberships of a nonprofit nonstock corporation and to membership interests of any other nonstock corporation.

(b) Subsection (a) shall not apply to:

(1) K.S.A. 17-6002(a)(4), (b)(1) and (b)(2), 17-6009(a), 17-6301, 17-6404, 17-6505, 17-6518, 17-6520(b), 17-6601, 17-6602, 17-6703, 17-6705, 17-6706, 17-6707, 17-6708, 17-6801, 17-6805, 17-6805a, 17-7001, 17-7002, 17-7503(a)(4) and (b)(4), 17-7504, 17-7505(a)(4) and (b)(4) and 17-7514(c), and amendments thereto, and K.S.A. 2019 Supp. 17-6014, and amendments thereto, ~~which—that~~ apply to nonstock corporations by their terms;

(2) K.S.A. 17-6002(e), the last sentence of 17-6009(b), 17-6401, 17-6402, 17-6403, 17-6405, 17-6406, 17-6407(d), 17-6408, 17-6411, 17-6412, 17-6413, 17-6414, 17-6415, 17-6416, 17-6417, 17-6418, 17-6501, 17-6502, 17-6503, 17-6504, 17-6506, 17-6509, 17-6512, 17-6521, 17-6603, 17-6604, 17-6701, 17-6702, 17-6803 and 17-6804, and amendments thereto, and K.S.A. 2019 Supp. 17-6427, 17-6428, 17-6429 and 17-72a04, and amendments thereto; and

(3) article 72 and article 73 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

(c) In the case of a nonprofit nonstock corporation, subsection (a) shall not apply to:

(1) The sections and articles listed in subsection (b);

(2) K.S.A. 17-6002(b)(3), 17-6304(a)(2), 17-6507, 17-6508, 17-6712, 17-7503, 17-

7505, 17-7509, ~~and 17-7511 and 17-7514, and amendments thereto~~, and K.S.A. 2019 Supp. 17-6011(a)(2) and (a)(3), and amendments thereto; and

(3) article 64 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto, and K.S.A. 2019 Supp. 17-72a01 through 17-72a09, and amendments thereto.

(d) For purposes of the Kansas general corporation code:

(1) A "charitable nonstock corporation" is any nonprofit nonstock corporation that is exempt from taxation under § 501(c)(3) of the federal internal revenue code of 1986, 26 U.S.C. § 501(c)(3);

(2) a "membership interest" is, unless otherwise provided in a nonstock corporation's articles of incorporation, a member's share of the profits and losses of a nonstock corporation, or a member's right to receive distributions of the nonstock corporation's assets, or both;

(3) a "nonprofit nonstock corporation" is a nonstock corporation that does not have membership interests; and

(4) a "nonstock corporation" is any corporation organized under the Kansas general corporation code that is not authorized to issue capital stock.

Sec. 11. On and after July 1, 2022, K.S.A. 2019 Supp. 17-6014, as amended by section 10 of this act, is hereby amended to read as follows: 17-6014. (a) Except as otherwise provided in subsections (b) and (c), the provisions of the Kansas general corporation code shall apply to nonstock corporations in the manner specified in this subsection:

(1) All references to stockholders of the corporation shall be deemed to refer to members of the corporation;

(2) all references to the board of directors of the corporation shall be deemed to refer to the governing body of the corporation;

(3) all references to directors or to members of the board of directors of the corporation shall be deemed to refer to members of the governing body of the corporation; and

(4) all references to stock, capital stock, or shares thereof of a corporation authorized to issue capital stock shall be deemed to refer to memberships of a nonprofit nonstock corporation and to membership interests of any other nonstock corporation.

(b) Subsection (a) shall not apply to:

(1) K.S.A. 17-6002(a)(4), (b)(1) and (b)(2), 17-6009(a), 17-6301, 17-6404, 17-6505, 17-6518, 17-6520(b), 17-6601, 17-6602, 17-6703, 17-6705, 17-6706, 17-6707, 17-6708, 17-6801, 17-6805, 17-6805a, 17-7001, 17-7002, 17-7503(a)(4) and (b)(4)(c)(4) and (d)(4), 17-7504, 17-7505(a)(4) and (b)(4)(c)(4) and (d)(4) and 17-7514(c), and amendments thereto, and K.S.A. 2019 Supp. 17-6014, and amendments thereto, that apply to nonstock corporations by their terms;

(2) K.S.A. 17-6002(e), the last sentence of 17-6009(b), 17-6401, 17-6402, 17-6403, 17-6405, 17-6406, 17-6407(d), 17-6408, 17-6411, 17-6412, 17-6413, 17-6414, 17-6415, 17-6416, 17-6417, 17-6418, 17-6501, 17-6502, 17-6503, 17-6504, 17-6506, 17-6509, 17-6512, 17-6521, 17-6603, 17-6604, 17-6701, 17-6702, 17-6803 and 17-6804, and amendments thereto, and K.S.A. 2019 Supp. 17-6427, 17-6428, 17-6429 and 17-72a04, and amendments thereto; and

(3) article 72 and article 73 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

(c) In the case of a nonprofit nonstock corporation, subsection (a) shall not apply

to:

- (1) The sections and articles listed in subsection (b);
- (2) K.S.A. 17-6002(b)(3), 17-6304(a)(2), 17-6507, 17-6508, 17-6712, 17-7503, 17-7505, 17-7509 and 17-7511, and amendments thereto, and K.S.A. 2019 Supp. 17-6011(a)(2) and (a)(3), and amendments thereto; and

(3) article 64 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto, and K.S.A. 2019 Supp. 17-72a01 through 17-72a09, and amendments thereto.

(d) For purposes of the Kansas general corporation code:

(1) A "charitable nonstock corporation" is any nonprofit nonstock corporation that is exempt from taxation under § 501(c)(3) of the federal internal revenue code of 1986, 26 U.S.C. § 501(c)(3);

(2) a "membership interest" is, unless otherwise provided in a nonstock corporation's articles of incorporation, a member's share of the profits and losses of a nonstock corporation, or a member's right to receive distributions of the nonstock corporation's assets, or both;

(3) a "nonprofit nonstock corporation" is a nonstock corporation that does not have membership interests; and

(4) a "nonstock corporation" is any corporation organized under the Kansas general corporation code that is not authorized to issue capital stock.;

On page 9, in line 1, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 12, in line 22, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 14, in line 7, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 15, in line 33, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 17, in line 23, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 18, in line 35, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 19, in line 9, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 20, in line 3, before "K.S.A" by inserting "On and after July 1, 2022,"; in line 17, before "K.S.A" by inserting "On and after July 1, 2022,"; following line 25, by inserting:

"Sec. 21. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7675 is hereby amended to read as follows: 17-7675. (a) Articles of organization shall be canceled upon the dissolution and the completion of winding up of a limited liability company, or as provided in K.S.A. 17-76,117 or 17-76,139, and amendments thereto, or K.S.A. 2019 Supp. 17-7926(b) or 17-7929(b), and amendments thereto, or upon the filing of a certificate of merger or consolidation if the limited liability company is not the surviving or resulting entity in a merger or consolidation, or upon the future effective date of a certificate of merger or consolidation if the limited liability company is not the surviving or resulting entity in a merger or consolidation, or upon the filing of a certificate of division if the limited liability company is a dividing company that is not a surviving company, or upon the future effective date of a certificate of division if the limited liability company is a dividing company that is not a surviving company. A certificate of cancellation shall be filed with the secretary of state to accomplish the cancellation of articles of organization upon the dissolution and the completion of winding up of a limited liability company. The certificate shall set forth:

- (1) The name of the limited liability company;
- (2) the reason for filing the certificate of cancellation;
- (3) if the limited liability company has formed one or more series and the

certificate of designation has not been canceled for such series prior to the filing of the certificate of cancellation, the name of each such series;

(4) the future effective date or time of cancellation if it is not to be effective upon the filing of the certificate; and

~~(4)~~(5) any other information the person filing the certificate of cancellation determines.

(b) A certificate of cancellation that is filed with the secretary of state prior to the dissolution or the completion of winding up of a limited liability company may be corrected as an erroneously executed certificate of cancellation by filing with the secretary of state a certificate of correction of such certificate of cancellation in accordance with K.S.A. 2019 Supp. 17-7912, and amendments thereto.

(c) The secretary of state shall not issue a certificate of good standing with respect to a limited liability company, or any series thereof, if its articles of organization are canceled.

Sec. 22. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7679 is hereby amended to read as follows: 17-7679. The fact that articles of organization, or amendments thereto, are on file with the secretary of state is notice that the entity formed in connection with the filing of the articles of organization is a limited liability company formed under the laws of the state of Kansas and is notice of all other facts set forth therein which are required to be set forth in articles of organization by K.S.A. 17-7673(a)(1), (a)(2), (a)(4) and (a)(5), and amendments thereto, and K.S.A. 2019 Supp. 17-76,149, and amendments thereto. The fact that a certificate of designation is on file in the office of the secretary of state is notice that the series named in such certificate of designation has been formed pursuant to K.S.A. 2019 Supp. 17-76,143, and amendments thereto, and is notice of all other facts set forth therein that are required to be set forth in a certificate of designation by K.S.A. 2019 Supp. 17-76,143(d), and amendments thereto.

Sec. 23. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7680 is hereby amended to read as follows: 17-7680. (a) Restated articles of organization.

(1) A limited liability company may, whenever desired, integrate into a single instrument all of the provisions of its articles of organization which are then in effect and operative as a result of there having previously been filed with the secretary of state one or more certificates or other instruments pursuant to K.S.A. 17-7673 through 17-7683, and amendments thereto, the business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq., and amendments thereto, and K.S.A. 2019 Supp. 17-7685a and 17-76,143a, and amendments thereto, and it may at the same time also further amend its articles of organization by adopting restated articles of organization.

~~(b)~~(2) If restated articles of organization merely restate and integrate but do not further amend the initial articles of organization, as previously amended or supplemented by any certificate or instrument that was executed and filed pursuant to K.S.A. 17-7673 through 17-7683, and amendments thereto, and the business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq., and amendments thereto, they shall be specifically designated in their heading as "restated articles of organization" together with such other words as the limited liability company may deem appropriate and shall be executed by an authorized person and filed with the secretary of state as provided in K.S.A. 2019 Supp. 17-7910, and amendments thereto. If restated articles of organization restate and integrate and also further amend in any respect the

articles of organization, as previously amended or supplemented, they shall be specifically designated in their heading as "amended and restated articles of organization" together with such other words as the limited liability company may deem appropriate and shall be executed by at least one authorized person and filed as provided in K.S.A. 2019 Supp. 17-7910, and amendments thereto.

~~(e)~~(3) Restated articles of organization shall state, either in their heading or in an introductory paragraph, the limited liability company's present name; if it has been changed, the name under which it was originally filed; the date of filing of its original articles of organization with the secretary of state; and the future effective date, which shall be a date certain, of the restated articles of organization if they are not to be effective upon the filing of the restated articles of organization with the secretary of state. Restated articles of organization shall also state that they were duly executed and are being filed in accordance with this section. If restated articles of organization only restate and integrate and do not further amend a limited liability company's articles of organization as previously amended or supplemented and there is no discrepancy between those provisions and the restated articles of organization, they shall state that fact as well.

~~(d)~~(4) Upon the filing of restated articles of organization with the secretary of state, or upon the future effective date of restated articles of organization as provided for therein, the initial articles of organization, as previously amended or supplemented, shall be superseded. Thereafter the restated articles of organization, including any further amendment or changes made thereby, shall be the articles of organization of the limited liability company, but the original effective date of formation shall remain unchanged.

~~(e)~~(5) Any amendment or change effected in connection with the restatement and integration of the articles of organization shall be subject to any other provision of the Kansas revised limited liability company act, not inconsistent with this section, which would apply if a separate certificate of amendment were filed to effect such amendment or change.

(b) Restated certificate of designation.

(1) A series of a limited liability company may, whenever desired, integrate into a single instrument all of the provisions of its certificate of designation that are then in effect and operative as a result of there having previously been filed with the secretary of state one or more certificates or other instruments pursuant to K.S.A. 17-7673 through 17-7681, and amendments thereto, K.S.A. 2019 Supp. 17-7685a, 17-76.143a and the business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq., and amendments thereto, and it may at the same time further amend its certificate of designation by adopting a restated certificate of designation.

(2) If a restated certificate of designation merely restates and integrates but does not further amend the initial certificate of designation, as previously amended or supplemented by any instrument that was executed and filed pursuant to K.S.A. 17-7673 through 17-7681, and amendments thereto, K.S.A. 2019 Supp. 17-7685a, 17-76.143a and the business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq., and amendments thereto, it shall be specifically designated in its heading as a "restated certificate of designation" together with such other words as the series may deem appropriate and shall be executed by an authorized person and filed as provided in K.S.A. 2019 Supp. 17-7910, and amendments thereto. If a restated certificate restates

and integrates and also further amends in any respect the certificate of designation as previously amended or supplemented, it shall be specifically designated in its heading as an "amended and restated certificate of designation" together with such other words as the series may deem appropriate and shall be executed by at least one authorized person and filed as provided in K.S.A. 2019 Supp. 17-7910, and amendments thereto.

(3) A restated certificate of designation shall state, either in its heading or in an introductory paragraph, the name of the limited liability company, the present name of the series, and, if the name of the series has been changed, the name under which it was originally filed, and the future effective date or time, which shall be a date or time certain, of the restated certificate of designation if it is not to be effective upon the filing of the restated certificate of designation. A restated certificate shall also state that it was duly executed and is being filed in accordance with this section. If a restated certificate only restates and integrates and does not further amend a certificate of designation, as previously amended or supplemented and there is no discrepancy between those provisions and the restated certificate, it shall state that fact as well.

(4) Upon the filing of a restated certificate of designation with the secretary of state, or upon the future effective date or time of a restated certificate of designation as provided for therein, the initial certificate of designation, as theretofore amended or supplemented, shall be superseded. Thereafter, the restated certificate of designation, including any further amendment or changes made thereby, shall be the certificate of designation of such series, but the original effective date of formation of the series, as applicable, shall remain unchanged.

(5) Any amendment or change effected in connection with the restatement and integration of a certificate of designation shall be subject to any other provision of the Kansas revised limited liability company act, not inconsistent with this section, that would apply if a separate certificate of amendment were filed to effect such amendment or change."

Also on page 20, in line 26, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 21, by striking all in lines 28 through 43;

By striking all on pages 22 through 26;

On page 27, by striking all in lines 1 through 13 and inserting:

"Sec. 25. K.S.A. 2019 Supp. 17-76,139 is hereby amended to read as follows: 17-76,139. (a) Every limited liability company organized under the laws of this state shall make an annual report in writing to the secretary of state, stating the prescribed information concerning the limited liability company at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's tax period is other than the calendar year, it shall give notice of its different tax period in writing to the secretary of state prior to December 31 of the year it commences the different tax period. The annual report shall be filed at the time prescribed by law for filing the limited liability company's annual Kansas income tax return. The annual report shall be made on a form prescribed by the secretary of state. The report shall contain the following information:

(1) The name of the limited liability company; and

(2) a list of the members owning at least 5% of the capital of the limited liability company, with the post office address of each.

(b) Every foreign limited liability company shall make an annual report in writing to the secretary of state, stating the prescribed information concerning the limited

liability company at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's tax period is other than the calendar year, it shall give notice in writing of its different tax period to the secretary of state prior to December 31 of the year it commences the different tax period. The annual report shall be filed at the time prescribed by law for filing the limited liability company's annual Kansas income tax return. The annual report shall be made on a form prescribed by the secretary of state. The report shall contain the name of the limited liability company.

(c) The annual report required by this section shall be executed by one or more authorized persons, and filed with the secretary of state. The execution of such annual report by a person who is authorized by this act to execute such annual report, upon filing such annual report with the secretary of state, constitutes an oath or affirmation, under penalties of perjury that, to the best of such person's knowledge and belief, the facts stated therein are true. At the time of filing the report, the limited liability company shall pay to the secretary of state an annual report fee in an amount equal to \$40.

(d) The provisions of K.S.A. 17-7509, and amendments thereto, relating to penalties for failure of a corporation to file an annual report or pay the required annual report fee, and the provisions of K.S.A. 17-7510(a), and amendments thereto, relating to penalties for failure of a corporation to file an annual report or pay the required annual report fee, shall be applicable to the articles of organization of any domestic limited liability company or to the authority of any foreign limited liability company which fails to file its annual report or pay the annual report fee within 90 days of the time prescribed in this section for filing and paying the same or, in the case of an annual report filing and fee received by mail, postmarked within 90 days of the time for filing and paying the same. Whenever the articles of organization of a domestic limited liability company or the authority of any foreign limited liability company are forfeited for failure to file an annual report or to pay the required annual report fee, the domestic limited liability company or the authority of a foreign limited liability company may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,146, and amendments thereto, and paying to the secretary of state all fees, including any penalties thereon, due to the state.

(e) No limited liability company shall be required to file its first annual report under this act, or pay any annual report fee required to accompany such report, unless such limited liability company has filed its articles of organization or application for authority at least six months prior to the last day of its tax period.

~~(f) All copies of applications for extension of the time for filing income tax returns submitted to the secretary of state pursuant to law shall be maintained by the secretary of state in a confidential file and shall not be disclosed to any person except as authorized pursuant to the provisions of K.S.A. 79-3234, and amendments thereto, a proper judicial order, or subsection (g). All copies of such applications shall be preserved for one year and thereafter until the secretary of state orders that they be destroyed.~~

~~(g) A copy of such application shall be open to inspection by or disclosure to any person who was a member of such limited liability company during any part of the period covered by the extension.~~

Sec. 26. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,139, as amended by

section 25 of this act, is hereby amended to read as follows: 17-76,139. (a) Every limited liability company organized, and on and after July 1, 2022, each series thereof formed or in existence, under the laws of this state shall make an annual a written business entity information report in writing to the secretary of state, stating the prescribed information concerning the limited liability company or series, as applicable, at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's or series' tax period is other than the calendar year, it shall give notice of its different tax period in writing to the secretary of state prior to December 31 of the year it commences the different tax period.

(b) The annual report shall be filed biennially, as determined by the year that the limited liability company filed its formation documents. A limited liability company that filed formation documents in an even-numbered year shall file a report in each even-numbered year. A limited liability company that filed formation documents in an odd-numbered year shall file a report in each odd-numbered year. The report shall be filed after the close of the limited liability company's tax period but not later than at the time prescribed by law for filing the limited liability company's or series' annual Kansas income tax return, or if applicable law does not prescribe a time for filing an annual Kansas income tax return for a series, the report for the series shall be filed at, and for purposes of this section its tax period shall be deemed to be, the time prescribed by law for filing the annual Kansas income tax return for the limited liability company to which the series is associated.

(c) The annual report shall be made on a form prescribed by the secretary of state: The report and shall contain the following information:

- (1) The name of the limited liability company or series, as applicable; and
- (2) a list of the members owning at least 5% of the capital of the limited liability company or series, as applicable, with the post office address of each.

~~(b)(d)(1)~~ Every foreign limited liability company shall make an annual a written business entity information report in writing to the secretary of state, stating the prescribed information concerning the limited liability company at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's tax period is other than the calendar year, it shall give notice in writing of its different tax period to the secretary of state prior to December 31 of the year it commences the different tax period.

(2) The annual report shall be filed biennially, as determined by the year that the foreign limited liability company filed its foreign limited liability company application. A foreign limited liability company that filed its application in an even-numbered year shall file a report in each even-numbered year. A foreign limited liability company that filed its application in an odd-numbered year shall file a report in each odd-numbered year. The report shall be filed after the close of the foreign limited liability company's tax period but not later than at the time prescribed by law for filing the limited liability company's annual Kansas income tax return.

(3) The annual report shall be made on a form prescribed by the secretary of state: The report and shall contain the name of the limited liability company.

~~(e)(c)~~ The annual business entity information report required by this section shall be executed by one or more authorized persons, and filed with the secretary of state. The execution of such annual report by a person who is authorized by this the Kansas revised limited liability company act to execute such annual report, upon filing such

annual report with the secretary of state, constitutes an oath or affirmation, under penalties of perjury that, to the best of such person's knowledge and belief, the facts stated therein are true.

(f) ~~At the time of filing the its business entity information report, the limited liability company or series shall pay to the secretary of state an annual report a fee in an amount equal to \$40 \$80, plus the amount specified in rules and regulations of the secretary multiplied by the number of tax periods included in the report.~~

~~(g)~~ The provisions of K.S.A. 17-7509, and amendments thereto, relating to penalties for failure of a corporation to file ~~an annual a business entity information report~~ or pay the required ~~annual report~~ fee, and the provisions of K.S.A. 17-7510(a), and amendments thereto, relating to penalties for failure of a corporation to file ~~an annual a business entity information report~~ or pay the required ~~annual report~~ fee, shall be applicable to the articles of organization of any domestic limited liability company, ~~or the certificate of designation of any series thereof~~, or to the authority of any foreign limited liability company ~~which that~~ fails to file its ~~annual business entity information report~~ or pay the ~~annual report~~ fee within 90 days of the time prescribed in this section for filing and paying the same or, in the case of ~~an annual a~~ report filing and fee received by mail, postmarked within 90 days of the time for filing and paying the same. Whenever the articles of organization of a domestic limited liability company, ~~or the certificate of designation of any series thereof~~, or the authority of any foreign limited liability company are forfeited ~~or canceled~~ for failure to file ~~an annual a business entity information report~~ or to pay the required ~~annual report~~ fee, the domestic limited liability company or the authority of a foreign limited liability company may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,146, and amendments thereto, and ~~the certificate of designation may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,147, and amendments thereto, and in each case~~ paying to the secretary of state all fees, including any penalties thereon, due to the state.

~~(h)~~ No limited liability company ~~or series~~ shall be required to file its first ~~annual business entity information report under this the Kansas revised limited liability company act~~, or pay any ~~annual report~~ fee required to accompany such report, unless such limited liability company has filed its articles of organization or application for authority ~~or the certificate of designation of such series has been filed~~ at least six months prior to the last day of its tax period.

Sec. 27. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,143 is hereby amended to read as follows: 17-76,143. (a) An operating agreement may establish or provide for the establishment of one or more designated series of members, managers ~~or~~ limited liability company interests ~~having~~ or assets. ~~If an operating agreement so provides for the establishment or formation of one or more series, then a series may be formed by complying with this section. Any such series may have separate rights, powers or duties with respect to specified property or obligations of the limited liability company or profits and losses associated with specified property or obligations, and to the extent provided in the operating agreement, any such series may have a separate business purpose or investment objective. A series is formed by the filing of a certificate of designation in the office of the secretary of state. Other than pursuant to K.S.A. 2019 Supp. 17-76,143a, and amendments thereto, a series may not merge, convert, or consolidate pursuant to any section of the Kansas revised limited liability company act,~~

the business entity transactions act, K.S.A. 2019 Supp. 17-78-101 et seq., and amendments thereto, or any other statute of this state.

(b) Notice of the limitation on liabilities of a series as referenced in subsection (c) shall be set forth in the articles of organization of the limited liability company. Notice in articles of organization of the limitation on liabilities of a series as referenced in subsection (c) shall be sufficient for all purposes of this subsection whether or not the limited liability company has formed any series when such notice is included in the articles of organization, and there shall be no requirement that any specific series of the limited liability company be referenced in such notice. The fact that articles of organization that contain the foregoing notice of the limitation on liabilities of a series is on file in the office of the secretary of state shall constitute notice of such limitation on liabilities of a series.

~~(b)(c)~~ Notwithstanding anything to the contrary set forth in this section the Kansas revised limited liability act or under other applicable law, in the event that an operating agreement establishes or provides for the establishment of one or more series, and if to the extent the records maintained for any ~~such~~ series account for the assets associated with such series separately from the other assets of the limited liability company, or any other series thereof, and if the operating agreement so provides, and if notice of the limitation on liabilities of a series as referenced in this subsection is set forth in the articles of organization of the limited liability company and if the limited liability company has filed a certificate of designation for each series which is to have limited liability under this section, then the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to ~~a particular such~~ series shall be enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, and, unless otherwise provided in the operating agreement, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of such series. ~~The fact that the articles of organization contain the foregoing notice of the limitation on liabilities of a series and a certificate of designation for a series is on file in the office of the secretary of state shall constitute notice of such limitation on liabilities of a series. A series with limited liability shall be treated as a separate entity to the extent set forth in the articles of organization. Each series with limited liability may, in its own name, contract, hold title to assets, grant security interests, sue and be sued and otherwise conduct business and exercise the powers of a limited liability company under this act. The limited liability company and any of its series may elect to consolidate their operations as a single taxpayer to the extent permitted under applicable law, elect to work cooperatively, elect to contract jointly or elect to be treated as a single business for purposes of qualification to do business in this or any other state. Such elections shall not affect the limitation of liability set forth in this section except to the extent that the series have specifically accepted joint liability by contract.~~

~~(c)~~ Except in the case of a foreign limited liability company that has adopted an assumed name pursuant to K.S.A. 2019 Supp. 17-7933, and amendments thereto, the name of the series with limited liability must contain the entire name of the limited liability company and be distinguishable from the names of the other series set forth in the articles of organization. In the case of a foreign limited liability company that has

adopted an assumed name pursuant to K.S.A. 2019 Supp. 17-7933, and amendments thereto, the name of the series with limited liability must contain the entire name under which the foreign limited liability company has been admitted to transact business in this state.

(d) Upon the filing of the certificate of designation with the secretary of state setting forth the name of each series with limited liability, the series' existence shall begin, and copies of the filed certificate of designation marked with the filing date shall be conclusive evidence, except as against the state, that all conditions precedent required to be performed have been complied with and that the series has been or shall be legally organized and formed under this act. If different from the limited liability company, the certificate of designation for each series shall list the names of the members if the series is member managed or the names of the managers if the series is manager managed. The name of a series with limited liability under subsection (b) may be changed by filing with the secretary of state a certificate of designation identifying the series whose name is being changed and the new name of such series. If not the same as the limited liability company, the names of the members of a member managed series or of the managers of a manager managed series may be changed by filing a new certificate of designation with the secretary of state. A series with limited liability under subsection (b) may be dissolved by filing with the secretary of state a certificate of designation identifying the series being dissolved or by the dissolution of the limited liability company as provided in subsection (m). Certificates of designation may be executed by the limited liability company or any manager, person or entity designated in the operating agreement for the limited liability company.

(e) A series of a limited liability company will be deemed to be in good standing as long as the limited liability company is in good standing.

(f) The resident agent and registered office for the limited liability company in Kansas shall serve as the agent and office for service of process in Kansas for each series.

(g) An operating agreement may provide for classes or groups of members or managers associated with a series having such relative rights, powers and duties as the operating agreement may provide, and may make provision for the future creation of additional classes or groups of members or managers associated with the series having such relative rights, powers and duties as may from time to time be established, including rights, powers and duties senior to existing classes and groups of members or managers associated with the series.

(h) A series may be managed by either the member or members associated with the series or by a manager or managers chosen by the members of such series, as provided in the operating agreement. Unless otherwise provided in an operating agreement, the management of a series shall be vested in the members associated with such series.

(i) An operating agreement may grant to all or certain identified members or managers or a specified class or group of the members or managers associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter. An operating agreement may provide that any member or class or group of members associated with a series shall have no voting rights.

(j) Except to the extent modified in this section, the provisions of this act which are generally applicable to limited liability companies, their managers, members and

transferees shall be applicable to each particular series with respect to the operation of such series.

~~(k) Except as otherwise provided in an operating agreement, any event under this act or in an operating agreement that causes a manager to cease to be a manager with respect to a series shall not, in itself, cause such manager to cease to be a manager of the limited liability company or with respect to any other series thereof.~~

~~(l) Except as otherwise provided in an operating agreement, any event under this act or an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause such member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the termination of the series, regardless of whether such member was the last remaining member associated with such series.~~

~~(m) Except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the limited liability company. The dissolution of a series established in accordance with subsection (b) shall not affect the limitation on liabilities of such series provided by subsection (b). A series is terminated and its affairs shall be wound up upon the dissolution of the limited liability company under article 76 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto.~~

~~(n) If a limited liability company with the ability to establish a series does not register to do business in a foreign jurisdiction for itself and certain of its series, a series of a limited liability company may itself register to do business as a limited liability company in the foreign jurisdiction in accordance with the laws of the foreign jurisdiction. Neither the preceding sentences nor any provision pursuant thereto in an operating agreement, articles of organization or certificate of designation shall: Restrict a series or limited liability company on behalf of a series from agreeing in the operating agreement or otherwise that any or all of the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of such series; or restrict a limited liability company from agreeing in the operating agreement or otherwise that any or all of the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to a series shall be enforceable against the assets of the limited liability company generally. Assets associated with a series may be held directly or indirectly, including in the name of such series, in the name of the limited liability company, through a nominee or otherwise. Records maintained for a series that reasonably identify its assets, including by specific listing, category, type, quantity, computational, or allocational formula or procedure, including a percentage or share of any asset or assets, or by any other method where the identity of such assets is objectively determinable, will be deemed to account for the assets associated with such series separately from the other assets of the limited liability company, or any other series thereof. As used in the Kansas revised limited liability company act, a reference to assets of a series includes assets associated with such series, a reference to assets associated with a series includes assets of such series, a reference to members or managers of a series includes members or managers associated with such series, and a reference to members or managers associated with a series includes members or managers of such series. The following shall apply to a series:~~

~~(1) A series may carry on any lawful business, purpose or activity, whether or not~~

for profit, with the exception of the business of granting policies of insurance, assuming insurance risks, or banking as defined in K.S.A. 2019 Supp. 9-701, and amendments thereto. Unless otherwise provided in an operating agreement, a series shall have the power and capacity to, in its own name, contract, hold title to assets, including real, personal, and intangible property, grant liens and security interests, and sue and be sued.

(2) Except as otherwise provided by the Kansas revised limited liability company act, no member or manager of a series shall be obligated personally for any debt, obligation or liability of such series, whether arising in contract, tort or otherwise, solely by reason of being a member or acting as manager of such series. Notwithstanding the preceding sentence, under an operating agreement or under another agreement, a member or manager may agree to be obligated personally for any or all of the debts, obligations and liabilities of one or more series.

(3) An operating agreement may provide for classes or groups of members or managers associated with a series having such relative rights, powers and duties as the operating agreement may provide, and may make provision for the future creation in the manner provided in the operating agreement of additional classes or groups of members or managers associated with such series having such relative rights, powers and duties as may from time to time be established, including rights, powers and duties senior to existing classes and groups of members or managers associated with such series. An operating agreement may provide for the taking of an action, including the amendment of the operating agreement, without the vote, consent or approval of any member or manager or class or group of members or managers, including an action to create under the provisions of the operating agreement a class or group of a series of limited liability company interests that was not previously outstanding. An operating agreement may provide that any member or class or group of members associated with a series shall have no voting rights.

(4) An operating agreement may grant to all or certain identified members or managers or a specified class or group of the members or managers associated with a series the right to vote separately or with all or any class or group of the members or managers associated with such series, on any matter. Voting by members or managers associated with a series may be on a per capita, number, financial interest, class, group or any other basis.

(5) Unless otherwise provided in an operating agreement, the management of a series shall be vested in the members associated with such series in proportion to the then-current percentage or other interest of members in the profits of such series owned by all of the members associated with such series, the decision of members owning more than 50% of such percentage or other interest in the profits controlling, except that if an operating agreement provides for the management of a series, in whole or in part, by a manager, the management of such series, to the extent so provided, shall be vested in the manager who shall be chosen in the manner provided in the operating agreement. The manager of a series shall also hold the offices and have the responsibilities accorded to the manager as set forth in an operating agreement. A series may have more than one manager. Subject to K.S.A. 17-76,105, and amendments thereto, a manager shall cease to be a manager with respect to a series as provided in an operating agreement. Except as otherwise provided in an operating agreement, any event under the Kansas revised limited liability company act or in an operating agreement that causes a manager to cease to be a manager with respect to a series shall not, in itself,

cause such manager to cease to be a manager of the limited liability company or with respect to any other series thereof.

(6) Notwithstanding K.S.A. 17-76,109, and amendments thereto, but subject to subsections (c)(7) and (c)(10), and unless otherwise provided in an operating agreement, at the time a member of a series becomes entitled to receive a distribution with respect to such series, the member has the status of, and is entitled to all remedies available to, a creditor of such series, with respect to the distribution. An operating agreement may provide for the establishment of a record date with respect to allocations and distributions with respect to a series.

(7) Notwithstanding K.S.A. 17-76,110(a), and amendments thereto, a limited liability company may make a distribution with respect to a series. A limited liability company shall not make a distribution with respect to a series to a member to the extent that at the time of the distribution, after giving effect to the distribution, all liabilities of such series, other than liabilities to members on account of their limited liability company interests with respect to such series and liabilities for which the recourse of creditors is limited to specified property of such series, exceed the fair value of the assets associated with such series, except that the fair value of property of such series that is subject to a liability for which the recourse of creditors is limited shall be included in the assets associated with such series only to the extent that the fair value of that property exceeds that liability. For purposes of the immediately preceding sentence, the term "distribution" shall not include amounts constituting reasonable compensation for present or past services or reasonable payments made in the ordinary course of business pursuant to a bona fide retirement plan or other benefits program. A member who receives a distribution in violation of this subsection, and who knew at the time of the distribution that the distribution violated this subsection, shall be liable to the series for the amount of the distribution. A member who receives a distribution in violation of this subsection, and who did not know at the time of the distribution that the distribution violated this subsection, shall not be liable for the amount of the distribution. Subject to K.S.A. 17-76,110(c), and amendments thereto, which shall apply to any distribution made with respect to a series under this subsection, this subsection shall not affect any obligation or liability of a member under an agreement or other applicable law for the amount of a distribution.

(8) Unless otherwise provided in the operating agreement, a member shall cease to be associated with a series and to have the power to exercise any rights or powers of a member with respect to such series upon the assignment of all of the member's limited liability company interest with respect to such series. Except as otherwise provided in an operating agreement, any event under the Kansas revised limited liability company act or an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause such member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the dissolution of the series, regardless of whether such member was the last remaining member associated with such series.

(9) Subject to K.S.A. 17-76,116, and amendments thereto, except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the limited liability company. The dissolution of a series shall not affect the limitation on liabilities of such series provided by this subsection (c). A series is dissolved and its affairs shall be wound up upon the

dissolution of the limited liability company under K.S.A. 17-76,116, and amendments thereto, or otherwise upon the first to occur of the following:

- (A) At the time specified in the operating agreement;
- (B) upon the happening of events specified in the operating agreement;
- (C) unless otherwise provided in the operating agreement, upon the vote, consent or approval of members associated with such series who own $\frac{2}{3}$ or more of the then-current percentage or other interest in the profits of such series of the limited liability company owned by all of the members associated with such series; or

(D) the dissolution of such series under subsection (c)(11).

(10) Notwithstanding K.S.A. 17-76,118(a), and amendments thereto, unless otherwise provided in the operating agreement, a manager associated with a series who has not wrongfully dissolved such series or, if none, the members associated with such series or a person consented to or approved by the members associated with such series, in either case, by members who own more than 50% of the then-current percentage or other interest in the profits of such series owned by all of the members associated with such series, may wind up the affairs of such series, but the district court, upon cause shown, may wind up the affairs of a series upon application of any member or manager associated with such series, or the member's personal representative or assignee, and in connection therewith, may appoint a liquidating trustee. The persons winding up the affairs of a series may, in the name of the limited liability company and for and on behalf of the limited liability company and such series, take all actions with respect to such series as are permitted under K.S.A. 17-76,118(b), and amendments thereto. The persons winding up the affairs of a series shall provide for the claims and obligations of such series and distribute the assets of such series as provided in K.S.A. 17-76,119, and amendments thereto, which section shall apply to the winding up and distribution of assets of a series. Actions taken in accordance with this subsection shall not affect the liability of members and shall not impose liability on a liquidating trustee.

(11) On application by or for a member or manager associated with a series, the district court may decree dissolution of such series whenever it is not reasonably practicable to carry on the business of such series in conformity with an operating agreement.

(12) For all purposes of the laws of the state of Kansas, a series is an association, regardless of the number of members or managers, if any, of such series.

(d) In order to form a series of a limited liability company, a certificate of designation must be filed in accordance with this subsection.

- (1) (A) A certificate of designation shall set forth:
 - (i) The name of the limited liability company; and
 - (ii) the name of the series.
- (B) A certificate of designation may include any other matter that the members of such series determine to include therein.

(C) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, shall be deemed to comply with the requirements of this paragraph.

(2) A certificate of designation shall be executed in accordance with K.S.A. 2019 Supp. 17-7908(b), and amendments thereto, and shall be filed in the office of the secretary of state in accordance with K.S.A. 2019 Supp. 17-7910, and amendments thereto. A certificate of designation is not an amendment to the articles of organization of the limited liability company.

(3) A certificate of designation may be amended by filing a certificate of amendment thereto in the office of the secretary of state.

(A) The certificate of amendment shall set forth:

(i) The name of the limited liability company;

(ii) the name of the series; and

(iii) the amendment to the certificate of designation.

(B) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, that changed a previously filed certificate of designation shall be deemed to be a certificate of amendment thereto for purposes of this paragraph.

(4) A manager of a series or, if there is no manager, then any member of a series who becomes aware that any statement in a certificate of designation filed with respect to such series was false when made, or that any matter described therein has changed making the certificate of designation false in any material respect, shall promptly amend the certificate of designation.

(5) A certificate of designation may be amended at any time for any other proper purpose.

(6) Unless otherwise provided in the Kansas revised limited liability company act or unless a later effective date or time, which shall be a date or time certain, is provided for in the certificate of amendment, a certificate of amendment shall be effective at the time of its filing with the secretary of state.

(7) A certificate of designation shall be canceled upon the cancellation of the articles of organization of the limited liability company named in the certificate of designation, or upon the filing of a certificate of cancellation of the certificate of designation, or upon the future effective date or time of a certificate of cancellation of the certificate of designation, or as provided in K.S.A. 17-76.139(d), and amendments thereto, or upon the filing of a certificate of merger or consolidation if the series is not the surviving or resulting series in a merger or consolidation or upon the future effective date or time of a certificate of merger or consolidation if the series is not the surviving or resulting series in a merger or consolidation. A certificate of cancellation of the certificate of designation may be filed at any time, and shall be filed, in the office of the secretary of state to accomplish the cancellation of a certificate of designation upon the dissolution of a series for which a certificate of designation was filed and completion of the winding up of such series.

(A) A certificate of cancellation of the certificate of designation shall set forth:

(i) The name of the limited liability company;

(ii) the name of the series;

(iii) the future effective date or time, which shall be a date or time certain, of cancellation if it is not to be effective upon the filing of the certificate of cancellation; and

(iv) any other information the person filing the certificate of cancellation of the certificate of designation determines.

(B) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, that dissolved a series shall be deemed to be a certificate of cancellation thereto for purposes of this paragraph.

(8) A certificate of cancellation of the certificate of designation that is filed in the office of the secretary of state prior to the dissolution or the completion of winding up of a series may be corrected as an erroneously executed certificate of cancellation of the

certificate of designation by filing with the office of the secretary of state a certificate of correction of such certificate of cancellation of the certificate of designation in accordance with K.S.A. 2019 Supp. 17-7912, and amendments thereto.

(9) The secretary of state shall not issue a certificate of good standing with respect to a series if the certificate of designation is canceled or the limited liability company has ceased to be in good standing.

(e) The name of each series as set forth in its certificate of designation:

(1) Shall include the name of the limited liability company, including any word, abbreviation or designation required by K.S.A. 2019 Supp. 17-7920, and amendments thereto;

(2) may contain the name of a member or manager;

(3) must comply with the requirements of K.S.A. 2019 Supp. 17-7918, and amendments thereto, to the same extent as a covered entity; and

(4) may contain any word permitted by K.S.A. 2019 Supp. 17-7920, and amendments thereto, and may not contain any word prohibited to be included in the name of a limited liability company under Kansas law.

~~(e)(f) If a foreign limited liability company, as permitted in the jurisdiction of its organization, has established a series having separate rights, powers or duties and has limited the liabilities of such series so that is registered to do business in this state in accordance with K.S.A. 2019 Supp. 17-7931, and amendments thereto, is governed by an operating agreement that establishes or provides for the establishment of a series of members, managers, limited liability company interests or assets having separate rights, powers or duties with respect to specified property or obligations of the foreign limited liability company or profits and losses associated with specified property or obligations, that fact shall be so stated on the application for registration as a foreign limited liability company. In addition, the foreign limited liability company shall state on such application whether the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series, if any are enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof, or so that and whether any of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof are not shall be enforceable against the assets of such series; then the limited liability company, on behalf of itself or any of its series, or any of its series on their own behalf may register to do business in the state in accordance with the provisions of K.S.A. 2019 Supp. 17-7931, and amendments thereto. The limitation of liability shall be so stated on the application for admission as a foreign limited liability company and a certificate of designation shall be filed for each series being registered to do business in the state by the limited liability company. Unless otherwise provided in the operating agreement, the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series of such a foreign limited liability company shall be enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof and none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such a foreign limited liability company generally or any other series thereof shall be enforceable against the assets of such series.~~

Sec. 28. K.S.A. 2019 Supp. 17-76,143a is hereby amended to read as follows: 17-76,143a. (a) Pursuant to an agreement of merger or consolidation, one or more series may merge or consolidate with or into one or more other series of the same limited liability company with such series as the agreement shall provide being the surviving or resulting series. Unless otherwise provided in the operating agreement, an agreement of merger or consolidation shall be consented to or approved by each series that is to merge or consolidate by members of such series who own more than 50% of the then-current percentage or other interest in the profits of such series owned by all of the members of such series. In connection with a merger or consolidation hereunder, rights or securities of, or interests in, a series which is a constituent party to the merger or consolidation may be exchanged for or converted into cash, property, rights, or securities of, or interests in, the surviving or resulting series or, in addition to or in lieu thereof, may be exchanged for or converted into cash, property, rights, or securities of, or interests in, an entity as defined in K.S.A. 2019 Supp. 17-78-102, and amendments thereto, that is not the surviving or resulting series in the merger or consolidation, may remain outstanding or may be canceled. Notwithstanding prior consent or approval, an agreement of merger or consolidation may be terminated or amended pursuant to a provision for such termination or amendment contained in the agreement of merger or consolidation.

(b) If a series is merging or consolidating under this section, the series surviving or resulting in or from the merger or consolidation shall file a certificate of merger or consolidation executed by one or more authorized persons on behalf of the series when it is the surviving or resulting series in the office of the secretary of state. The certificate of merger or consolidation shall state:

- (1) The name of each series that is to merge or consolidate and the name of the limited liability company that formed such series;
- (2) that an agreement of merger or consolidation has been consented to or approved and executed by or on behalf of each series that is to merge or consolidate;
- (3) the name of the surviving or resulting series;
- (4) such amendment, if any, to the certificate of designation of the series that is the surviving or resulting series to change the name of the surviving series, as is desired to be effected by the merger;
- (5) the future effective date or time, which shall be a date or time certain, of the merger or consolidation if it is not to be effective upon the filing of the certificate of merger or consolidation;
- (6) that the agreement of merger or consolidation is on file at a place of business of the surviving or resulting series or the limited liability company that formed such series and shall state the address thereof; and
- (7) that a copy of the agreement of merger or consolidation will be furnished by the surviving or resulting series, upon request and without cost, to any member of any series that is to merge or consolidate.

(c) Unless a future effective date or time is provided in a certificate of merger or consolidation, a merger or consolidation pursuant to this section shall be effective upon the filing of a certificate of merger or consolidation in the office of the secretary of state.

(d) A certificate of merger or consolidation shall act as a certificate of cancellation of the certificate of designation of the series that is not the surviving or resulting series

in the merger or consolidation. A certificate of merger or consolidation that sets forth any amendment in accordance with subsection (b)(4) shall be deemed to be an amendment to the certificate of designation of the surviving or resulting series, and no further action shall be required to amend the certificate of designation of the surviving or resulting series under K.S.A. 2019 Supp. 17-76,143, and amendments thereto, with respect to such amendments set forth in the certificate of merger or consolidation. Whenever this section requires the filing of a certificate of merger or consolidation, such requirement shall be deemed satisfied by the filing of an agreement of merger or consolidation containing the information required by this section to be set forth in the certificate of merger or consolidation.

(e) An agreement of merger or consolidation consented to or approved in accordance with subsection (a) may effect any amendment to the operating agreement relating solely to the series that are constituent parties to the merger or consolidation. Any amendment to an operating agreement relating solely to the series that are constituent parties to the merger or consolidation made pursuant to the foregoing sentence shall be effective at the effective time or date of the merger or consolidation and shall be effective notwithstanding any provision of the operating agreement relating to amendment of the operating agreement, other than a provision that by its terms applies to an amendment to the operating agreement in connection with a merger or consolidation. The provisions of this subsection shall not be construed to limit the accomplishment of a merger or of any of the matters referred to herein by any other means provided for in an operating agreement or other agreement or as otherwise permitted by law, including that the operating agreement relating to any constituent series to the merger or consolidation, including a series formed for the purpose of consummating a merger or consolidation, shall be the operating agreement of the surviving or resulting series.

(f) (1) (A) When any merger or consolidation shall have become effective under this section, for all purposes of the laws of the state of Kansas, all of the rights, privileges and powers of each of the series that have merged or consolidated, and all property, real, personal and mixed, and all debts due to any of such series, as well as all other things and causes of action belonging to each of such series, shall be vested in the surviving or resulting series, and shall thereafter be the property of the surviving or resulting series as they were of each of the series that have merged or consolidated, and the title to any real property vested by deed or otherwise, under the laws of the state of Kansas, in any of such series, shall not revert or be in any way impaired by reason of the Kansas revised limited liability company act.

(B) All rights of creditors and all liens upon any property of any of the series that have merged or consolidated shall be preserved unimpaired, and all debts, liabilities and duties of each of such series that have merged or consolidated shall thereafter attach to the surviving or resulting series, and may be enforced against it to the same extent as if such debts, liabilities and duties had been incurred or contracted by it.

(2) Unless otherwise agreed, a merger or consolidation of a series that is not the surviving or resulting series in the merger or consolidation, shall not require such series to wind up its affairs under K.S.A. 2019 Supp. 17-76,143, and amendments thereto, or pay its liabilities and distribute its assets under K.S.A. 2019 Supp. 17-76,143, and amendments thereto, and the merger or consolidation shall not constitute a dissolution of such series.

(g) An operating agreement may provide that a series of such limited liability company shall not have the power to merge or consolidate as set forth in this section.

(h) This section shall take effect on and after July 1, ~~2020~~ 2022.

Sec. 29. K.S.A. 2019 Supp. 17-76,146 is hereby amended to read as follows: 17-76,146. (a) A domestic limited liability company whose articles of organization or a foreign limited liability company whose authority to do business has been canceled or forfeited pursuant to K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934~~(f)~~(d), and amendments thereto, or whose articles of organization or authority to do business has been forfeited pursuant to K.S.A. 17-76,139(d), and amendments thereto, may be reinstated by filing with the secretary of state a certificate of reinstatement accompanied by the payment of the fee required by K.S.A. 17-76,136(d), and amendments thereto, and payment of the annual report fees due under K.S.A. 17-76,139(c), and amendments thereto, and all penalties and interest thereon due at the time of the cancellation or forfeiture of its articles of organization or authority to do business. The certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time its articles of organization or authority to do business was canceled or forfeited and, if such name is not available at the time of reinstatement, the name under which the limited liability company is to be reinstated;

(2) the address of the limited liability company's registered office in the state of Kansas and the name and address of the limited liability company's resident agent in the state of Kansas;

(3) a statement that the certificate of reinstatement is filed by one or more persons authorized to execute and file the certificate of reinstatement to reinstate the limited liability company; and

(4) any other matters the persons executing the certificate of reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an amendment to the articles of organization or application for registration of the limited liability company, and the limited liability company shall not be required to take any further action to amend its articles of organization or application for registration under K.S.A. 17-7674 or K.S.A. 2019 Supp. 17-7935, and amendments thereto, with respect to the matters set forth in the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a limited liability company shall be reinstated with the same force and effect as if its articles of organization or authority to do business had not been canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934~~(f)~~(d), and amendments thereto. Such reinstatement shall validate all contracts, acts, matters and things made, done and performed by the limited liability company, its members, managers, employees and agents during the time when its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934~~(f)~~(d), and amendments thereto, with the same force and effect and to all intents and purposes as if the articles of organization or authority to do business had remained in full force and effect. All real and personal property, and all rights and interests, which belonged to the limited liability company at the time its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-

7926(b), 17-7929(b) or 17-7934(~~f~~)(d), and amendments thereto, or which were acquired by the limited liability company following the cancellation or forfeiture of its articles of organization or authority to do business pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(~~f~~)(d), and amendments thereto, and which were not disposed of prior to the time of its reinstatement, shall be vested in the limited liability company after its reinstatement as fully as they were held by the limited liability company at, and after, as the case may be, the time its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(~~f~~)(d), and amendments thereto. After its reinstatement, the limited liability company shall be as exclusively liable for all contracts, acts, matters and things made, done or performed in its name and on its behalf by its members, managers, employees and agents prior to its reinstatement as if its articles of organization or authority to do business had at all times remained in full force and effect.

Sec. 30. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,146, as amended by section 29 of this act, is hereby amended to read as follows: 17-76,146. (a) A domestic limited liability company whose articles of organization or a foreign limited liability company whose authority to do business has been canceled or forfeited pursuant to K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, or whose articles of organization or authority to do business has been forfeited pursuant to K.S.A. 17-76,139(~~d~~)(g), and amendments thereto, may be reinstated by filing with the secretary of state a certificate of reinstatement accompanied by the payment of the fee required by K.S.A. 17-76,136(d), and amendments thereto, and payment of the ~~annual report~~ fees due under K.S.A. 17-76,139(~~e~~)(f), and amendments thereto, and all penalties and interest thereon due at the time of the cancellation or forfeiture of its articles of organization or authority to do business. The certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time its articles of organization or authority to do business was canceled or forfeited and, if such name is not available at the time of reinstatement, the name under which the limited liability company is to be reinstated;

(2) the address of the limited liability company's registered office in the state of Kansas and the name and address of the limited liability company's resident agent in the state of Kansas;

(3) a statement that the certificate of reinstatement is filed by one or more persons authorized to execute and file the certificate of reinstatement to reinstate the limited liability company; and

(4) any other matters the persons executing the certificate of reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an amendment to the articles of organization or application for registration of the limited liability company, and the limited liability company shall not be required to take any further action to amend its articles of organization or application for registration under K.S.A. 17-7674 or K.S.A. 2019 Supp. 17-7935, and amendments thereto, with respect to the matters set forth in the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a limited liability company, and all series thereof that have been formed and whose certificate of designation has not been canceled prior to the cancellation of the articles of organization, shall be reinstated

with the same force and effect as if its articles of organization or authority to do business had not been canceled or forfeited pursuant to K.S.A. 17-76,139(d)(g) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto. Such reinstatement shall validate all contracts, acts, matters and things made, done and performed by the limited liability company, its members, managers, employees and agents during the time when its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d)(g) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, with the same force and effect and to all intents and purposes as if the articles of organization or authority to do business had remained in full force and effect. All real and personal property, and all rights and interests, ~~which that~~ belonged to the limited liability company at the time its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d)(g) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, or ~~which that~~ were acquired by the limited liability company following the cancellation or forfeiture of its articles of organization or authority to do business pursuant to K.S.A. 17-76,139(d)(g) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, and ~~which that~~ were not disposed of prior to the time of its reinstatement, shall be vested in the limited liability company after its reinstatement as fully as they were held by the limited liability company at, and after, as the case may be, the time its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d)(g) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto. After its reinstatement, the limited liability company shall be as exclusively liable for all contracts, acts, matters and things made, done or performed in its name and on its behalf by its members, managers, employees and agents prior to its reinstatement as if its articles of organization or authority to do business had at all times remained in full force and effect.

Sec. 31. K.S.A. 2019 Supp. 17-76,147 is hereby amended to read as follows: 17-76,147. (a) A series whose certificate of designation has been canceled pursuant to K.S.A. 17-76,139, and amendments thereto, may be reinstated by filing in the office of the secretary of state a certificate of reinstatement accompanied by the payment of the fee required by K.S.A. 17-76,136(d), and amendments thereto, and payment of the annual report fee due under K.S.A. 17-76,139(c), and amendments thereto, and all penalties and interest thereon due at the time of the cancellation of its certificate of designation. The certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time the certificate of designation was canceled and, if such name has changed, the name of the limited liability company at the time of reinstatement of the series;

(2) the name of the series at the time the certificate of designation was canceled and, if such name is not available at the time of reinstatement, the name under which the series is to be reinstated;

(3) a statement that the certificate of reinstatement is filed by one or more persons authorized to execute and file the certificate of reinstatement to reinstate the series; and

(4) any other matters the persons executing the certificate of reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an amendment to the certificate of designation, and no further actions shall be required to amend its

certificate of designation under K.S.A. 2019 Supp. 17-76,143(d)(3), and amendments thereto, with respect to the matters set forth in the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a series shall be reinstated with the same force and effect as if its certificate of designation had not been canceled pursuant to K.S.A. 17-76,139, and amendments thereto. Such reinstatement shall validate all contracts, acts, matters and things made, done and performed by the series, its members, managers, employees and agents during the time when its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto, with the same force and effect and to all intents and purposes as if the certificate of designation had remained in full force and effect. All real and personal property, and all rights and interests, that belonged to the series at the time its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto, or were acquired by the series following the cancellation of its certificate of designation pursuant to K.S.A. 17-76,139, and amendments thereto, and were not disposed of prior to the time of its reinstatement, shall be vested in the series after its reinstatement as fully as they were held by the series at, and after, as the case may be, the time its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto. After its reinstatement, the series shall be as exclusively liable for all contracts, acts, matters and things made, done or performed in its name and on its behalf by its members, managers, employees and agents prior to its reinstatement as if its certificate of designation had at all times remained in full force and effect.

(d) This section shall take effect on and after July 1, ~~2020~~ 2022.

Sec. 32. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,147, as amended by section 31 of this act, is hereby amended to read as follows: 17-76,147. (a) A series whose certificate of designation has been canceled pursuant to K.S.A. 17-76,139, and amendments thereto, may be reinstated by filing in the office of the secretary of state a certificate of reinstatement accompanied by the payment of the fee required by K.S.A. 17-76,136(d), and amendments thereto, and payment of the ~~annual report~~ fee due under K.S.A. 17-76,139~~(e)(f)~~, and amendments thereto, and all penalties and interest thereon due at the time of the cancellation of its certificate of designation. The certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time the certificate of designation was canceled and, if such name has changed, the name of the limited liability company at the time of reinstatement of the series;

(2) the name of the series at the time the certificate of designation was canceled and, if such name is not available at the time of reinstatement, the name under which the series is to be reinstated;

(3) a statement that the certificate of reinstatement is filed by one or more persons authorized to execute and file the certificate of reinstatement to reinstate the series; and

(4) any other matters the persons executing the certificate of reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an amendment to the certificate of designation, and no further actions shall be required to amend its certificate of designation under K.S.A. 2019 Supp. 17-76,143(d)(3), and amendments thereto, with respect to the matters set forth in the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a series shall be reinstated with the same force and effect as if its certificate of designation had not been canceled

pursuant to K.S.A. 17-76,139, and amendments thereto. Such reinstatement shall validate all contracts, acts, matters and things made, done and performed by the series, its members, managers, employees and agents during the time when its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto, with the same force and effect and to all intents and purposes as if the certificate of designation had remained in full force and effect. All real and personal property, and all rights and interests, that belonged to the series at the time its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto, or were acquired by the series following the cancellation of its certificate of designation pursuant to K.S.A. 17-76,139, and amendments thereto, and were not disposed of prior to the time of its reinstatement, shall be vested in the series after its reinstatement as fully as they were held by the series at, and after, as the case may be, the time its certificate of designation was canceled pursuant to K.S.A. 17-76,139, and amendments thereto. After its reinstatement, the series shall be as exclusively liable for all contracts, acts, matters and things made, done or performed in its name and on its behalf by its members, managers, employees and agents prior to its reinstatement as if its certificate of designation had at all times remained in full force and effect.

(d) This section shall take effect on and after July 1, 2022.

Sec. 33. K.S.A. 2019 Supp. 17-78-601 is hereby amended to read as follows: 17-78-601. (a) When any provision of this act requires any instrument to be filed with the secretary of state, such instrument shall be filed in accordance with this section:

- (1) The document shall contain the information required by this act;
- (2) the document shall be in a record;
- (3) the document shall be in the English language, but the name of an entity need not be in English if written in English letters or Arabic or Roman numerals;
- (4) the document shall be signed:
 - (A) By an officer of a domestic or foreign corporation;
 - (B) by a person authorized by a domestic or foreign entity that is not a corporation;

or

(C) if the entity is in the hands of a receiver, trustee or other court-appointed fiduciary, by that person;

(5) the instrument shall state the name and capacity of the person that signed it;

(6) any signature on instruments authorized to be filed with the secretary of state under this act may be a facsimile, an electronic signature, a conformed signature or an electronically transmitted signature. The execution of any instrument required to be filed with the secretary of state shall constitute an oath or affirmation, under the penalties of perjury, that the facts stated in the instrument are true; and

(7) the instrument shall be delivered to the office of the secretary of state for filing. Delivery may be made by electronic transmission if and to the extent permitted by the secretary of state.

(b) When a document is delivered to the office of the secretary of state for filing, the correct filing fee and any tax, fee or penalty required to be paid by this act or other law shall be paid. The secretary of state shall establish by rule and regulation the filing fees for instruments filed pursuant to this act.

(c) Upon delivery of the instrument and upon tender of the required fees and any taxes:

- (1) The secretary of state shall certify that the instrument has been filed in the

office of secretary of state by endorsing upon the original signed instrument the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the instrument and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed instrument in an electronic medium; and

(2) the secretary of state shall return a certified copy of the recorded instrument.

(d) Any instrument filed in accordance with this section shall be effective upon its filing date unless a later effective date, not to exceed 90 days from the date of filing, was specified in the instrument.

(e) If any instrument authorized to be filed with the secretary of state is filed and is inaccurately, defectively or erroneously executed or otherwise defective in any respect, the secretary of state shall not be liable to any person for the preclearance for filing, the acceptance for filing or the filing and indexing such instrument.

(f) Whenever a provision of this act permits any of the terms of an agreement or a filed document to be dependent on facts objectively ascertainable outside the agreement or filed document, the following rules apply:

(1) The manner in which the facts will operate upon the terms of the agreement or filed document must be set forth in the agreement or filed document;

(2) the facts may include, but are not limited to:

(A) Any of the following that is available in a nationally recognized news or information medium either in print or electronically, statistical or market indices, market prices of any security or group of securities, interest rates, currency exchange rates or similar economic or financial data;

(B) a determination or action by any person or body, including the entity or any other party to an agreement or filed document; or

(C) the terms of, or actions taken under, an agreement to which the entity is a party or any other agreement or document;

(3) in this subsection, "filed document" means a document filed with the secretary of state under this act. The following provisions of an agreement or filed document may not be made dependent on facts outside the agreement or filed document:

(A) The name and address of any person required in a filed document;

(B) the registered office of any entity required in a filed document;

(C) the resident agent of any entity required in a filed document;

(D) the number of authorized shares and designation of each class or series of shares of a corporation;

(E) the effective date of a filed document; and

(F) any required statement in a filed document of the manner in which that approval was given;

(4) if a provision of a filed document is made dependent on a fact ascertainable outside of the filed document and that fact is not ascertainable by reference to a source described in subsection (c)(2)(A) or a document that is a matter of public record, or if the affected interest holders have not received notice of the fact from the entity, the entity shall file with the secretary of state a certificate of amendment setting forth the fact promptly after the fact referred to is first ascertainable or thereafter changes.;

Also on page 27, in line 14, before "K.S.A." by inserting "On and after July 1, 2022,"

On page 28, in line 43, before "K.S.A." by inserting "On and after July 1, 2022,";

On page 30, in line 1, before "K.S.A" by inserting "On and after July 1, 2022,"; in

line 28, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 31, by striking all in lines 12 through 41 and inserting:

"Sec. 38. K.S.A. 2019 Supp. 17-7910 is hereby amended to read as follows: 17-7910. When any document is required by this act to be filed with the secretary of state, such requirement means that:

(a) The original signed document shall be delivered to the office of the secretary of state, where the document shall be recorded in an electronic medium. Any signature on documents authorized to be filed with the secretary of state under the provisions of this act may be a facsimile, a conformed signature, an electronic signature or an electronically transmitted signature;

(b) all taxes and fees authorized by law to be collected by the secretary of state in connection with the filing of the document shall be tendered to the secretary of state;

(c) upon delivery of the document, and upon tender of the required taxes and fees, the secretary of state shall, if the secretary of state finds that the document conforms to law, certify that the document has been filed in the office of the secretary of state by endorsing upon the ~~electronically recorded~~ electronically recorded document the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the document and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed document in an electronic medium and that electronic document shall become the original document; and

(d) the secretary of state shall return a certified copy of the recorded document to the person who filed the document or that person's representative, except this provision shall not apply to annual reports.

(e) A person who executes any document required by this act to be filed with the secretary of state, including a person who executes such document as an agent or fiduciary, shall not be required to exhibit evidence of the person's authority as a prerequisite to filing such documents with the secretary of state.

Sec. 39. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7910, as amended by section 38 of this act, is hereby amended to read as follows: 17-7910. When any document is required by this act to be filed with the secretary of state, such requirement means that:

(a) The original signed document shall be delivered to the office of the secretary of state, where the document shall be recorded in an electronic medium. Any signature on documents authorized to be filed with the secretary of state under the provisions of this act may be a facsimile, a conformed signature, an electronic signature or an electronically transmitted signature;

(b) all taxes and fees authorized by law to be collected by the secretary of state in connection with the filing of the document shall be tendered to the secretary of state;

(c) upon delivery of the document, and upon tender of the required taxes and fees, the secretary of state shall, if the secretary of state finds that the document conforms to law, certify that the document has been filed in the office of the secretary of state by endorsing upon the electronically recorded document the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the document and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed document in an electronic medium and that electronic document shall become the original document; and

(d) the secretary of state shall return a certified copy of the recorded document to the person who filed the document or that person's representative, except this provision shall not apply to ~~annual~~ business entity information reports.

(e) A person who executes any document required by this act to be filed with the secretary of state, including a person who executes such document as an agent or fiduciary, shall not be required to exhibit evidence of the person's authority as a prerequisite to filing such documents with the secretary of state.

Sec. 40. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7918 is hereby amended to read as follows: 17-7918. (a) Except as otherwise provided in subsection (b), the names of all covered entities, except for banks, savings and loan associations and savings banks, must be distinguishable on the records of the office of the secretary of state from:

- (1) The name of any other covered entity or foreign covered entity;
- (2) the name of any non-covered entity, other than a general partnership, that has filed with the office of the secretary of state, including a series of a limited liability company for which a certificate of designation has been filed;
- (3) any entity name reserved pursuant to K.S.A. 2019 Supp. 17-7923, and amendments thereto; and
- (4) the name of any other covered entity, series of a limited liability company or foreign covered entity whose public organic documents, certificate of designation or foreign registration has been canceled or forfeited for any reason within the previous one year.

(b) A covered entity may register under any name that is not distinguishable on the records of the office of the secretary of state from the name of any other covered entity or non-covered entity that has filed with the office of the secretary of state with the written consent of the other entity, which written consent shall be filed with the secretary of state.

(c) A covered entity may use a name that is not distinguishable from a name described in subsection (a)(1) through (3) if the entity delivers to the secretary of state a certified copy of a final judgment of a court of competent jurisdiction establishing the right of the entity to use the name in this state.

Sec. 41. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7923 is hereby amended to read as follows: 17-7923. (a) The exclusive right to the use of an entity name or, as applicable, the name of a series of a limited liability company, may be reserved by:

- (1) Any person intending to organize a covered entity under the laws of this state;
- (2) any domestic limited liability company or any person intending to organize a domestic limited liability company, intending to file a certificate of designation to form a series of any such limited liability company;
- ~~(3)~~ any domestic covered entity intending to change its name or intending to change the name of a series for which a certificate of designation has been filed;
- ~~(4)~~ any foreign covered entity intending to make application for a certificate of authority to transact business in this state;
- ~~(4)~~~~(5)~~ any foreign covered entity authorized to transact business in this state, and intending to change its name; and
- ~~(5)~~~~(6)~~ any person intending to organize a foreign covered entity, and intending to have such entity make application for a certificate of authority to transact business in this state.

(b) The reservation shall be made by filing with the secretary of state an application to reserve a specific covered entity name or the name of a series of a domestic limited liability company, executed by the applicant. The reservation may be filed by telefacsimile communication as prescribed by K.S.A. 2019 Supp. 17-7914, and amendments thereto. If the secretary of state finds that the name is available, the secretary of state shall reserve the same for the exclusive use of the applicant for a period of 120 days.

(c) The right to exclusive use of a specified entity name or the name of a series of a domestic limited liability company, reserved pursuant to this section, may be transferred to any other person or covered entity by filing in the office of the secretary of state, a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee.

~~(d) This section shall take effect on and after January 1, 2015.~~

Sec. 42. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7933 is hereby amended to read as follows: 17-7933. (a) Except as otherwise provided in subsection (b), the names of all foreign covered entities must be distinguishable on the records of the office of the secretary of state from:

- (1) The name of any covered entity or foreign covered entity;
- (2) the name of any non-covered entity, other than a general partnership, that has filed with the secretary of state, including a series of a limited liability company for which a certificate of designation has been filed;
- (3) any entity name reserved pursuant to K.S.A. 2019 Supp. 17-7923, and amendments thereto; and
- (4) the name of any other covered entity, series of a limited liability company or foreign covered entity whose public organic document, certificate of designation or foreign registration has been canceled or forfeited for any reason within the previous one year.

(b) A foreign covered entity may register under any name that is not distinguishable on the records of the office of the secretary of state from the name of any other covered entity or non-covered entity that has filed with the office of the secretary of state:

- (1) With the written consent of the other entity, which written consent shall be filed with the secretary of state; or
- (2) if the foreign covered entity indicates, as a means of identification and in its advertising within this state, the state in which the foreign covered entity was formed, and the application sets forth this condition."

Also on page 31, in line 42, before "K.S.A" by inserting "On and after July 1, 2022, "; On page 32, following line 19, by inserting:

"Sec. 44. K.S.A. 2019 Supp. 45-229 is hereby amended to read as follows: 45-229.

(a) It is the intent of the legislature that exceptions to disclosure under the open records act shall be created or maintained only if:

- (1) The public record is of a sensitive or personal nature concerning individuals;
- (2) the public record is necessary for the effective and efficient administration of a governmental program; or
- (3) the public record affects confidential information.

The maintenance or creation of an exception to disclosure must be compelled as measured by these criteria. Further, the legislature finds that the public has a right to have access to public records unless the criteria in this section for restricting such

access to a public record are met and the criteria are considered during legislative review in connection with the particular exception to disclosure to be significant enough to override the strong public policy of open government. To strengthen the policy of open government, the legislature shall consider the criteria in this section before enacting an exception to disclosure.

(b) Subject to the provisions of subsections (g) and (h), any new exception to disclosure or substantial amendment of an existing exception shall expire on July 1 of the fifth year after enactment of the new exception or substantial amendment, unless the legislature acts to continue the exception. A law that enacts a new exception or substantially amends an existing exception shall state that the exception expires at the end of five years and that the exception shall be reviewed by the legislature before the scheduled date.

(c) For purposes of this section, an exception is substantially amended if the amendment expands the scope of the exception to include more records or information. An exception is not substantially amended if the amendment narrows the scope of the exception.

(d) This section is not intended to repeal an exception that has been amended following legislative review before the scheduled repeal of the exception if the exception is not substantially amended as a result of the review.

(e) In the year before the expiration of an exception, the revisor of statutes shall certify to the president of the senate and the speaker of the house of representatives, by July 15, the language and statutory citation of each exception that will expire in the following year that meets the criteria of an exception as defined in this section. Any exception that is not identified and certified to the president of the senate and the speaker of the house of representatives is not subject to legislative review and shall not expire. If the revisor of statutes fails to certify an exception that the revisor subsequently determines should have been certified, the revisor shall include the exception in the following year's certification after that determination.

(f) "Exception" means any provision of law that creates an exception to disclosure or limits disclosure under the open records act pursuant to K.S.A. 45-221, and amendments thereto, or pursuant to any other provision of law.

(g) A provision of law that creates or amends an exception to disclosure under the open records law shall not be subject to review and expiration under this act if such provision:

- (1) Is required by federal law;
- (2) applies solely to the legislature or to the state court system;
- (3) has been reviewed and continued in existence twice by the legislature; or
- (4) has been reviewed and continued in existence by the legislature during the 2013 legislative session and thereafter.

(h) (1) The legislature shall review the exception before its scheduled expiration and consider as part of the review process the following:

- (A) What specific records are affected by the exception;
 - (B) whom does the exception uniquely affect, as opposed to the general public;
 - (C) what is the identifiable public purpose or goal of the exception;
 - (D) whether the information contained in the records may be obtained readily by alternative means and how it may be obtained;
- (2) an exception may be created or maintained only if it serves an identifiable

public purpose and may be no broader than is necessary to meet the public purpose it serves. An identifiable public purpose is served if the legislature finds that the purpose is sufficiently compelling to override the strong public policy of open government and cannot be accomplished without the exception and if the exception:

(A) Allows the effective and efficient administration of a governmental program that would be significantly impaired without the exception;

(B) protects information of a sensitive personal nature concerning individuals, the release of such information would be defamatory to such individuals or cause unwarranted damage to the good name or reputation of such individuals or would jeopardize the safety of such individuals. Only information that would identify the individuals may be excepted under this paragraph; or

(C) protects information of a confidential nature concerning entities, including, but not limited to, a formula, pattern, device, combination of devices, or compilation of information that is used to protect or further a business advantage over those who do not know or use it, if the disclosure of such information would injure the affected entity in the marketplace.

(3) Records made before the date of the expiration of an exception shall be subject to disclosure as otherwise provided by law. In deciding whether the records shall be made public, the legislature shall consider whether the damage or loss to persons or entities uniquely affected by the exception of the type specified in paragraph (2)(B) or (2)(C) would occur if the records were made public.

(i) (1) Exceptions contained in the following statutes as continued in existence in section 2 of chapter 126 of the 2005 Session Laws of Kansas and that have been reviewed and continued in existence twice by the legislature as provided in subsection (g) are hereby continued in existence: 1-401, 2-1202, 5-512, 9-1137, 9-1712, 9-2217, 10-630, 11-306, 12-189, 12-1,108, 12-1694, 12-1698, 12-2819, 12-4516, 16-715, 16a-2-304, 17-1312e, 17-2227, 17-5832, 17-7511, ~~17-7514~~, 17-76,139, 19-4321, 21-2511, 22-3711, 22-4707, 22-4909, 22a-243, 22a-244, 23-605, 23-9,312, 25-4161, 25-4165, 31-405, 34-251, 38-2212, 39-709b, 39-719e, 39-934, 39-1434, 39-1704, 40-222, 40-2,156, 40-2c20, 40-2c21, 40-2d20, 40-2d21, 40-409, 40-956, 40-1128, 40-2807, 40-3012, 40-3304, 40-3308, 40-3403b, 40-3421, 40-3613, 40-3805, 40-4205, 44-510j, 44-550b, 44-594, 44-635, 44-714, 44-817, 44-1005, 44-1019, 45-221(a)(1) through (43), 46-256, 46-259, 46-2201, 47-839, 47-844, 47-849, 47-1709, 48-1614, 49-406, 49-427, 55-1,102, 58-4114, 59-2135, 59-2802, 59-2979, 59-29b79, 60-3333, 60-3336, 65-102b, 65-118, 65-119, 65-153f, 65-170g, 65-177, 65-1,106, 65-1,113, 65-1,116, 65-1,157a, 65-1,163, 65-1,165, 65-1,168, 65-1,169, 65-1,171, 65-1,172, 65-436, 65-445, 65-507, 65-525, 65-531, 65-657, 65-1135, 65-1467, 65-1627, 65-1831, 65-2422d, 65-2438, 65-2836, 65-2839a, 65-2898a, 65-3015, 65-3447, 65-34,108, 65-34,126, 65-4019, 65-4922, 65-4925, 65-5602, 65-5603, 65-6002, 65-6003, 65-6004, 65-6010, 65-67a05, 65-6803, 65-6804, 66-101c, 66-117, 66-151, 66-1,190, 66-1,203, 66-1220a, 66-2010, 72-996, 72-4311, 72-4452, 72-5214, 72-53,106, 72-5427, 72-8903, 73-1228, 74-2424, 74-2433f, 74-4905, 74-4909, 74-50,131, 74-5515, 74-7308, 74-7338, 74-8104, 74-8307, 74-8705, 74-8804, 74-9805, 75-104, 75-712, 75-7b15, 75-1267, 75-2943, 75-4332, 75-4362, 75-5133, 75-5266, 75-5665, 75-5666, 75-7310, 76-355, 76-359, 76-493, 76-12b11, 76-3305, 79-1119, 79-1437f, 79-3234, 79-3395, 79-3420, 79-3499, 79-34,113, 79-3614, 79-3657, 79-4301 and 79-5206.

(2) Exceptions contained in the following statutes as certified by the revisor of

statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2015 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 17-2036, 40-5301, 45-221(a)(45), (46) and (49), 48-16a10, 58-4616, 60-3351, 72-972a, 74-50,217 and 75-53,105.

(j) (1) Exceptions contained in the following statutes as continued in existence in section 1 of chapter 87 of the 2006 Session Laws of Kansas and that have been reviewed and continued in existence twice by the legislature as provided in subsection (g) are hereby continued in existence: 1-501, 9-1303, 12-4516a, 39-970, 65-525, 65-5117, 65-6016, 65-6017 and 74-7508.

(2) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2015 and that have been reviewed during the 2016 legislative session are hereby continued in existence: 12-5611, 22-4906, 22-4909, 38-2310, 38-2311, 38-2326, 40-955, 44-1132, 45-221(a)(10)(F) and (a)(50), 60-3333, 65-4a05, 65-445(g), 65-6154, 71-218, 75-457, 75-712c, 75-723 and 75-7c06.

(k) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2014 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 1-205, 2-2204, 8-240, 8-247, 8-255c, 8-1324, 8-1325, 12-17,150, 12-2001, 17-12a607, 38-1008, 38-2209, 40-5006, 40-5108, 41-2905, 41-2906, 44-706, 44-1518, 45-221(a)(44), (45), (46), (47) and (48), 50-6a11, ~~56-1a610, 56a-1204,~~ 65-1,243, 65-16,104, 65-3239, 74-50,184, 74-8134, 74-99b06, 77-503a and 82a-2210.

(l) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2016 and that have been reviewed during the 2017 legislative session are hereby continued in existence: 12-5711, 21-2511, 22-4909, 38-2313, 45-221(a)(51) and (52), 65-516, 65-1505, 74-2012, 74-5607, 74-8745, 74-8752, 74-8772, 75-7d01, 75-7d05, 75-5133, 75-7427 and 79-3234.

(m) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2012 and that have been reviewed during the 2013 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 12-5811, 40-222, 40-223j, 40-5007a, 40-5009a, 40-5012a, 65-1685, 65-1695, 65-2838a, 66-1251, 66-1805, 72-60c01, 75-712 and 75-5366.

(n) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2018 legislative session are hereby continued in existence: 9-513c(c)(2), 39-709, 45-221(a)(26), (53) and (54), 65-6832, 65-6834, 75-7c06 and 75-7c20.

(o) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2019 legislative session are hereby continued in existence: 21-2511(h)(2), 21-5905(a)(7), 22-2302(b) and (c),

22-2502(d) and (e), 40-222(k)(7), 44-714(e), 45-221(a)(55), 46-1106(g) regarding 46-1106(i), 65-2836(i), 65-2839a(c), 65-2842(d), 65-28a05(n), article 6(d) of 65-6230, 72-6314(a) and 74-7047(b).";

Also on page 32, in line 20, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 33, following line 16, by inserting:

"Sec. 46. K.S.A. 56-1a151 is hereby amended to read as follows: 56-1a151. (a) In order to form a limited partnership, a certificate of limited partnership must be executed and filed in the office of the secretary of state. Such certificate shall set forth:

(1) The name of the limited partnership;
(2) the address of the registered office and the name and address of the resident agent for service of process required to be maintained by K.S.A. ~~56-1a104~~ 2019 Supp. 17-7925, and amendments thereto;

(3) the name and the business or residence address of each general partner;

(4) the latest date upon which the limited partnership is to dissolve; and

(5) any other matters the general partners determine to include in the certificate.

(b) A limited partnership is formed at the time of the filing of the initial certificate of limited partnership in the office of the secretary of state or at any later time specified in the certificate of limited partnership if, in either case, there has been substantial compliance with the requirements of this section.";

Also on page 33, in line 17, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 34, in line 14, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 35, in line 42, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 37, following line 26, by inserting:

"Sec. 50. K.S.A. 56a-101 is hereby amended to read as follows: 56a-101. In this act:

(a) "Business" includes every trade, occupation, and profession.

(b) "Debtor in bankruptcy" means a person who is the subject of:

(1) An order for relief under title 11 of the United States code or a comparable order under a successor statute of general application; or

(2) a comparable order under federal, state, or foreign law governing insolvency.

(c) "Distribution" means a transfer of money or other property from a partnership to a partner in the partner's capacity as a partner or to the partner's transferee.

(d) "Foreign limited liability partnership" means a partnership that:

(1) Is formed under laws other than the laws of this state; and

(2) has the status of a limited liability partnership under those laws.

(e) "Limited liability partnership" means a partnership that has filed a statement of qualification under K.S.A. 56a-1001, and amendments thereto, and does not have a similar statement in effect in any other jurisdiction.

(f) "Partnership" means an association of two or more persons to carry on as co-owners a business for profit formed under K.S.A. 56a-202, and amendments thereto, predecessor law, or comparable law of another jurisdiction.

(g) "Partnership agreement" means the agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.

(h) "Partnership at will" means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

(i) "Partnership interest" or "partner's interest in the partnership" means all of a partner's interests in the partnership, including the partner's transferable interest and all management and other rights.

(j) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(k) "Property" means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

(l) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(m) "Statement" means a statement of partnership authority under K.S.A. 56a-303, and amendments thereto, a statement of denial under K.S.A. 56a-304, and amendments thereto, a statement of dissociation under K.S.A. 56a-704, and amendments thereto, a statement of dissolution under K.S.A. 56a-805, and amendments thereto, a statement of merger under K.S.A. 56a-907, and amendments thereto, a statement of qualification under K.S.A. 56a-1001, and amendments thereto, a statement of foreign qualification under K.S.A. 56a-1102, and amendments thereto, or an amendment or cancellation of any of the foregoing.

(n) "Street address" means the location with the number, street, city, state and postal code.

(o) "Transfer" includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

Sec. 51. K.S.A. 2019 Supp. 56a-1001 is hereby amended to read as follows: 56a-1001. (a) A partnership may become a limited liability partnership pursuant to this section.

(b) The terms and conditions on which a partnership becomes a limited liability partnership must be approved by the vote necessary to amend the partnership agreement except, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.

(c) After the approval required by subsection (b), a partnership may become a limited liability partnership by filing a statement of qualification. The statement must contain:

(1) The name of the partnership;

(2) the address of the registered office and the name of the resident agent for service of process required to be maintained pursuant to K.S.A. 2019 Supp. ~~56a-1005-17-7925~~, and amendments thereto;

(3) a statement that the partnership elects to be a limited liability partnership; and

(4) a deferred effective date, if any.

(d) The status of a partnership as a limited liability partnership is effective on the later of the filing of the statement or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to ~~subsection (d) of~~ K.S.A. 56a-105(d), and amendments thereto, or revoked pursuant to K.S.A. 56a-1201, and amendments thereto.

(e) The status of a partnership as a limited liability partnership and the liability of its partners is not affected by errors or later changes in the information required to be contained in the statement of qualification under subsection (c).

(f) The filing of a statement of qualification establishes that a partnership has satisfied all conditions precedent to the qualification of the partnership as a limited liability partnership.

(g) An amendment or cancellation of a statement of qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.";

Also on page 37, in line 27, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 39, in line 3, before "K.S.A" by inserting "On and after July 1, 2022,";

On page 40, in line 21, before "K.S.A" by inserting "On and after July 1, 2022,"; by striking all in lines 32 through 43 and inserting:

"Sec. 55. On and after July 1, 2022, K.S.A. 2019 Supp. 84-1-201 is hereby amended to read as follows: 84-1-201. (a) Unless the context otherwise requires, words or phrases defined in this section, or in the additional definitions contained in other articles of the uniform commercial code that apply to particular articles or parts thereof, have the meanings stated.

(b) Subject to definitions contained in other articles of the uniform commercial code that apply to particular articles or parts thereof:

(1) "Action," in the sense of a judicial proceeding, includes recoupment, counterclaim, set-off, suit in equity, and any other proceeding in which rights are determined.

(2) "Aggrieved party" means a party entitled to pursue a remedy.

(3) "Agreement," as distinguished from "contract," means the bargain of the parties in fact, as found in their language or inferred from other circumstances, including course of performance, course of dealing, or usage of trade as provided in K.S.A. 2019 Supp. 84-1-303, and amendments thereto.

(4) "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company.

(5) "Bearer" means a person in control of a negotiable electronic document of title or a person in possession of a negotiable instrument, negotiable tangible document of title, or certificated security that is payable to bearer or indorsed in blank.

(6) "Bill of lading" means a document of title evidencing the receipt of goods for shipment issued by a person engaged in the business of directly or indirectly transporting or forwarding goods. The term does not include a warehouse receipt.

(7) "Branch" includes a separately incorporated foreign branch of a bank.

(8) "Burden of establishing" a fact means the burden of persuading the trier of fact that the existence of the fact is more probable than its nonexistence.

(9) "Buyer in ordinary course of business" means a person that buys goods in good faith, without knowledge that the sale violates the rights of another person in the goods, and in the ordinary course from a person, other than a pawnbroker, in the business of selling goods of that kind. A person buys goods in the ordinary course if the sale to the person comports with the usual or customary practices in the kind of business in which the seller is engaged or with the seller's own usual or customary practices. A person that sells oil, gas, or other minerals at the wellhead or minehead is a person in the business of selling goods of that kind. A buyer in ordinary course of business may buy for cash, by exchange of other property, or on secured or unsecured credit, and may acquire goods or documents of title under a preexisting contract for sale. Only a buyer that takes possession of the goods or has a right to recover the goods from the seller under article

2 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, may be a buyer in ordinary course of business. "Buyer in ordinary course of business" does not include a person that acquires goods in a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

(10) "Conspicuous," with reference to a term, means so written, displayed, or presented that a reasonable person against which it is to operate ought to have noticed it. Whether a term is "conspicuous" or not is a decision for the court. Conspicuous terms include the following:

(A) A heading in capitals equal to or greater in size than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same or lesser size; and

(B) language in the body of a record or display in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from surrounding text of the same size by symbols or other marks that call attention to the language.

(11) "Consumer" means an individual who enters into a transaction primarily for personal, family, or household purposes.

(12) "Contract," as distinguished from "agreement," means the total legal obligation that results from the parties' agreement as determined by the uniform commercial code as supplemented by any other applicable laws.

(13) "Creditor" includes a general creditor, a secured creditor, a lien creditor, and any representative of creditors, including an assignee for the benefit of creditors, a trustee in bankruptcy, a receiver in equity, and an executor or administrator of an insolvent debtor's or assignor's estate.

(14) "Defendant" includes a person in the position of defendant in a counterclaim, cross-claim, or third-party claim.

(15) "Delivery," with respect to an electronic document of title means voluntary transfer of control and with respect to an instrument, a tangible document of title, or chattel paper, means voluntary transfer of possession.

(16) "Document of title" means a record ~~(i)~~; (A) That in the regular course of business or financing is treated as adequately evidencing that the person in possession or control of the record is entitled to receive, control, hold, and dispose of the record and the goods the record covers; and ~~(ii)~~; (B) that purports to be issued by or addressed to a bailee and to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass. The term includes a bill of lading, transport document, dock warrant, dock receipt, warehouse receipt and order for delivery of goods. An electronic document of title means a document of title evidenced by a record consisting of information stored in an electronic medium. A tangible document of title means a document of title evidenced by a record consisting of information that is inscribed on a tangible medium.

(17) "Fault" means a default, breach, or wrongful act or omission.

(18) "Fungible goods" means:

(A) Goods of which any unit, by nature or usage of trade, is the equivalent of any other like unit; or

(B) goods that by agreement are treated as equivalent.

(19) "Genuine" means free of forgery or counterfeiting.

(20) "Good faith," except as otherwise provided in article 5 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, means honesty in fact and the

observance of reasonable commercial standards of fair dealing.

(21) "Holder" means:

(A) The person in possession of a negotiable instrument that is payable either to bearer or to an identified person that is the person in possession; ~~or~~

(B) the person in possession of a negotiable tangible document of title if the goods are deliverable either to bearer or to the order of the person in possession; or

(C) the person in control of a negotiable electronic document of title.

(22) "Insolvency proceeding" includes an assignment for the benefit of creditors or other proceeding intended to liquidate or rehabilitate the estate of the person involved.

(23) "Insolvent" means:

(A) Having generally ceased to pay debts in the ordinary course of business other than as a result of bona fide dispute;

(B) being unable to pay debts as they become due; or

(C) being insolvent within the meaning of federal bankruptcy law.

(24) "Money" means a medium of exchange currently authorized or adopted by a domestic or foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more countries.

(25) "Organization" means a person other than an individual.

(26) "Party," as distinguished from "third party," means a person that has engaged in a transaction or made an agreement subject to the uniform commercial code.

(27) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, public corporation, or any other legal or commercial entity, or any series of any of the foregoing.

(28) "Present value" means the amount as of a date certain of one or more sums payable in the future, discounted to the date certain by use of either an interest rate specified by the parties if that rate is not manifestly unreasonable at the time the transaction is entered into or, if an interest rate is not so specified, a commercially reasonable rate that takes into account the facts and circumstances at the time the transaction is entered into.

(29) "Purchase" means taking by sale, lease, discount, negotiation, mortgage, pledge, lien, security interest, issue or reissue, gift, or any other voluntary transaction creating an interest in property.

(30) "Purchaser" means a person that takes by purchase.

(31) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(32) "Remedy" means any remedial right to which an aggrieved party is entitled with or without resort to a tribunal.

(33) "Representative" means a person empowered to act for another, including an agent, an officer of a corporation or association, and a trustee, executor, or administrator of an estate.

(34) "Right" includes remedy.

(35) "Security interest" means an interest in personal property or fixtures which secures payment or performance of an obligation. "Security interest" includes any interest of a consignor and a buyer of accounts, chattel paper, a payment intangible, or a promissory note in a transaction that is subject to article 9 of chapter 84 of the Kansas

Statutes Annotated, and amendments thereto. "Security interest" does not include the special property interest of a buyer of goods on identification of those goods to a contract for sale under K.S.A. 84-2-401 and amendments thereto, but a buyer may also acquire a "security interest" by complying with article 9 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto. Except as otherwise provided in K.S.A. 84-2-505, and amendments thereto, the right of a seller or lessor of goods under article 2 or 2a of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, to retain or acquire possession of the goods is not a "security interest," but a seller or lessor may also acquire a "security interest" by complying with article 9 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto. The retention or reservation of title by a seller of goods notwithstanding shipment or delivery to the buyer under K.S.A. 84-2-401, and amendments thereto, is limited in effect to a reservation of a "security interest." Whether a transaction in the form of a lease creates a "security interest" is determined pursuant to K.S.A. 2019 Supp. 84-1-203, and amendments thereto.

(36) "Send" in connection with a writing, record, or notice means:

(A) To deposit in the mail or deliver for transmission by any other usual means of communication with postage or cost of transmission provided for and properly addressed and, in the case of an instrument, to an address specified thereon or otherwise agreed, or if there be none to any address reasonable under the circumstances; or

(B) in any other way to cause to be received any record or notice within the time it would have arrived if properly sent.

(37) "Signed" includes using any symbol executed or adopted with present intention to adopt or accept a writing.

(38) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(39) "Surety" includes a guarantor or other secondary obligor.

(40) "Term" means a portion of an agreement that relates to a particular matter.

(41) "Unauthorized signature" means a signature made without actual, implied, or apparent authority. The term includes a forgery.

(42) "Warehouse receipt" means a document of title issued by a person engaged in the business of storing goods for hire.

(43) "Writing" includes printing, typewriting, or any other intentional reduction to tangible form. "Written" has a corresponding meaning.

Sec. 56. On and after July 1, 2022, K.S.A. 2019 Supp. 84-9-102 is hereby amended to read as follows: 84-9-102. (a) **Article 9 definitions.** In this article:

(1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.

(2) "Account," except as used in "account for," means a right to payment of a monetary obligation, whether or not earned by performance, (A) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (B) for services rendered or to be rendered, (C) for a policy of insurance issued or to be issued, (D) for a secondary obligation incurred or to be incurred, (E) for energy provided or to be provided, (F) for the use or hire of a vessel under a charter or other contract, (G) arising out of the use of a credit or charge card or information contained on or for use with the card, or (H) as winnings in a lottery or other game of chance operated or

sponsored by a state, governmental unit of a state, or person licensed or authorized to operate the game by a state or governmental unit of a state. The term includes health-care-insurance receivables. The term does not include: (A) rights to payment evidenced by chattel paper or an instrument, (B) commercial tort claims, (C) deposit accounts, (D) investment property, (E) letter-of-credit rights or letters of credit, or (F) rights to payment for money or funds advanced or sold, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

(3) "Account debtor" means a person obligated on an account, chattel paper, or general intangible. The term does not include persons obligated to pay a negotiable instrument, even if the instrument constitutes part of chattel paper.

(4) "Accounting," except as used in "accounting for," means a record:

(A) Authenticated by a secured party;

(B) indicating the aggregate unpaid secured obligations as of a date not more than 35 days earlier or 35 days later than the date of the record; and

(C) identifying the components of the obligations in reasonable detail.

(5) "Agricultural lien" means an interest, other than a security interest, in farm products: (A) Which secures payment or performance of an obligation for:

(i) Goods or services furnished in connection with a debtor's farming operation; or

(ii) rent on real property leased by a debtor in connection with its farming operation;

(B) which is created by statute in favor of a person that:

(i) In the ordinary course of its business furnished goods or services to a debtor in connection with a debtor's farming operation; or

(ii) leased real property to a debtor in connection with the debtor's farming operation; and

(C) whose effectiveness does not depend on the person's possession of the personal property. Agricultural liens shall not include statutory liens.

(6) "As-extracted collateral" means: (A) Oil, gas, or other minerals that are subject to a security interest that:

(i) Is created by a debtor having an interest in the minerals before extraction; and

(ii) attaches to the minerals as extracted; or

(B) accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which the debtor had an interest before extraction.

(7) "Authenticate" means:

(A) To sign; or

(B) with present intent to adopt or accept a record, to attach to or logically associate with the record an electronic sound, symbol or process.

(8) "Bank" means an organization that is engaged in the business of banking. The term includes savings banks, savings and loan associations, credit unions, and trust companies.

(9) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.

(10) "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of

title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

(11) "Chattel paper" means a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this subsection, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.

(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:

(A) Proceeds to which a security interest attaches;

(B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(C) goods that are the subject of a consignment.

(13) "Commercial tort claim" means a claim arising in tort with respect to which:

(A) The claimant is an organization; or

(B) the claimant is an individual and the claim:

(i) Arose in the course of the claimant's business or profession; and

(ii) does not include damages arising out of personal injury to or the death of an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) Traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its books.

(17) "Commodity intermediary" means a person that:

(A) Is registered as a futures commission merchant under federal commodities law; or

(B) in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) To send a written or other tangible record;

(B) to transmit a record by any means agreed upon by the persons sending and

receiving the record; or

(C) in the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and: (A) The merchant:

(i) Deals in goods of that kind under a name other than the name of the person making delivery;

(ii) is not an auctioneer; and

(iii) is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) with respect to each delivery, the aggregate value of the goods is \$1,000 or more at the time of delivery;

(C) the goods are not consumer goods immediately before delivery; and

(D) the transaction does not create a security interest that secures an obligation.

(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

(22) "Consumer debtor" means a debtor in a consumer transaction.

(23) "Consumer goods" means goods that are used or bought for use primarily for personal, family, or household purposes.

(24) "Consumer-goods transaction" means a consumer transaction in which:

(A) An individual incurs an obligation primarily for personal, family, or household purposes; and

(B) a security interest in consumer goods secures the obligation.

(25) "Consumer obligor" means an obligor who is an individual and who incurred the obligation as part of a transaction entered into primarily for personal, family, or household purposes.

(26) "Consumer transaction" means a transaction in which ~~(i)~~ (A) an individual incurs an obligation primarily for personal, family, or household purposes, ~~(ii)~~ (B) a security interest secures the obligation, and ~~(iii)~~ (C) the collateral is held or acquired primarily for personal, family, or household purposes. The term includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement which:

(A) Identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(28) "Debtor" means:

(A) A person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;

(B) a seller of accounts, chattel paper, payment intangibles, or promissory notes; or

(C) a consignee.

(29) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank. The term does not include investment property or accounts evidenced by an instrument.

(30) "Document" means a document of title or a receipt of the type described in

~~subsection (b)~~ of K.S.A. 84-7-201~~(b)~~, and amendments thereto.

(31) "Electronic chattel paper" means chattel paper evidenced by a record or records consisting of information stored in an electronic medium.

(32) "Encumbrance" means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property.

(33) "Equipment" means goods other than inventory, farm products, or consumer goods.

(34) "Farm products" means goods, other than standing timber, with respect to which the debtor is engaged in a farming operation and which are: (A) Crops grown, growing, or to be grown, including:

- (i) Crops produced on trees, vines, and bushes; and
- (ii) aquatic goods produced in aquacultural operations;

(B) livestock, born or unborn, including aquatic goods produced in aquacultural operations;

(C) supplies used or produced in a farming operation; or

(D) products of crops or livestock in their unmanufactured states.

(35) "Farming operation" means raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquacultural operation.

(36) "File number" means the number assigned to an initial financing statement pursuant to ~~subsection (a)~~ of K.S.A. 2019 Supp. 84-9-519~~(a)~~, and amendments thereto.

(37) "Filing office" means an office designated in K.S.A. 2019 Supp. 84-9-501, and amendments thereto, as the place to file a financing statement.

(38) "Filing-office rule" means a rule adopted pursuant to K.S.A. 2019 Supp. 84-9-526, and amendments thereto.

(39) "Financing statement" means a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.

(40) "Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying ~~subsections (a) and (b)~~ of K.S.A. 2019 Supp. 84-9-502~~(a) and (b)~~, and amendments thereto. The term includes the filing of a financing statement covering goods of a transmitting utility which are or are to become fixtures.

(41) "Fixtures" means goods that have become so related to particular real property that an interest in them arises under real property law.

(42) "General intangible" means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes payment intangibles and software.

(43) Reserved.

(44) "Goods" means all things that are movable when a security interest attaches. The term includes (A) fixtures, (B) standing timber that is to be cut and removed under a conveyance or contract for sale, (C) the unborn young of animals, (D) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (E) manufactured homes. The term also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (A) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (B) by becoming the owner of the

goods, a person acquires a right to use the program in connection with the goods. The term does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. The term also does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction.

(45) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, a state, or a foreign country. The term includes an organization having a separate corporate existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance which is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument, a writing that would otherwise qualify as a certificate of deposit as defined by K.S.A. 84-3-104(j), and amendments thereto, but for the fact that the writing contains a limitation on transfer, or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment. The term does not include ~~(i)~~ (A) investment property, ~~(ii)~~ (B) letters of credit, or ~~(iii)~~ (C) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(48) "Inventory" means goods, other than farm products, which:

- (A) Are leased by a person as lessor;
- (B) are held by a person for sale or lease or to be furnished under a contract of service;
- (C) are furnished by a person under a contract of service; or
- (D) consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization," with respect to a registered organization, means the jurisdiction under whose law the organization is formed or organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

- (A) A creditor that has acquired a lien on the property involved by attachment, levy, or the like;
- (B) an assignee for benefit of creditors from the time of assignment;
- (C) a trustee in bankruptcy from the date of the filing of the petition; or
- (D) a receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is

built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States secretary of housing and urban development and complies with the standards established under title 42 of the United States code.

(54) "Manufactured-home transaction" means a secured transaction:

(A) That creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or

(B) in which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(55) "Mortgage" means a consensual interest in real property, including fixtures, which secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as a debtor under K.S.A. 2019 Supp. 84-9-203(d), and amendments thereto, by a security agreement previously entered into by another person.

(57) "New value" means (A) money, (B) money's worth in property, services, or new credit, or (C) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (A) owes payment or other performance of the obligation, (B) has provided property other than the collateral to secure payment or other performance of the obligation, or (C) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include issuers or nominated persons under a letter of credit.

(60) "Original debtor" except as used in K.S.A. 2019 Supp. 84-9-310(c), and amendments thereto, means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under K.S.A. 2019 Supp. 84-9-203(d), and amendments thereto.

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation.

(62) "Person related to," with respect to an individual, means:

(A) The spouse of the individual;

(B) a brother, brother-in-law, sister or sister-in-law of the individual;

(C) an ancestor or lineal descendant of the individual or the individual's spouse; or

(D) any other relative, by blood or marriage, of the individual or the individual's spouse who shares the same home with the individual.

(63) "Person related to," with respect to an organization, means:

(A) A person directly or indirectly controlling, controlled by or under common control with the organization;

(B) an officer or director of, or a person performing similar functions with respect to, the organization;

(C) an officer or director of, or a person performing similar functions with respect to, a person described in subparagraph (A);

(D) the spouse of an individual described in subparagraph (A), (B) or (C); or
(E) an individual who is related by blood or marriage to an individual described in subparagraph (A), (B), (C) or (D) and shares the same home with the individual.

(64) "Proceeds" except as used in K.S.A. 2019 Supp. 84-9-609(b), and amendments thereto, means the following property:

(A) Whatever is acquired upon the sale, lease, license, exchange or other disposition of collateral;

(B) whatever is collected on, or distributed on account of, collateral;

(C) rights arising out of collateral;

(D) to the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the collateral; or

(E) to the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral.

(65) "Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

(66) "Proposal" means a record authenticated by a secured party which includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to K.S.A. 2019 Supp. 84-9-620, 84-9-621 and 84-9-622, and amendments thereto.

(67) "Public organic record" means a record that is available to the public for inspection and is:

(A) A record consisting of the record initially filed with or issued by a state or the United States to form or organize an organization and any record filed with or issued by the state or the United States which amends or restates the initial record;

(B) an organic record of a business trust consisting of the record initially filed with a state and any record filed with the state which amends or restates the initial record, if a statute of the state governing business trusts requires that the record be filed with the state; or

(C) a record consisting of legislation enacted by the legislature of a state or the congress of the United States which forms or organizes an organization, any record amending the legislation and any record filed with or issued by the state or the United States which amends or restates the name of the organization.

(68) "Pursuant to commitment," with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

(69) "Record," except as used in "for record," "of record," "record or legal title," and "record owner," means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form.

(70) "Registered organization" means an organization formed or organized solely under the law of a single state or the United States by the filing of a public organic record with, the issuance of a public organic record by, or the enactment of legislation by, the state or the United States. The term includes a business trust that is formed or

organized under the law of a single state if a law of the state governing business trusts requires that the business trust's organic record be filed with the state. The term also includes a series of a registered organization if the series is an organization formed or organized under the law of a single state and the statute of the state governing the series requires that the public organic record of the series be filed with the state.

(71) "Secondary obligor" means an obligor to the extent that:

(A) The obligor's obligation is secondary; or

(B) the obligor has a right of recourse with respect to an obligation secured by collateral against the debtor, another obligor, or property of either.

(72) "Secured party" means:

(A) A person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;

(B) a person that holds an agricultural lien;

(C) a consignor;

(D) a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;

(E) a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or

(F) a person that holds a security interest arising under K.S.A. 84-2-401, 84-2-505, 84-2-711(3), 84-2a-508(5), 84-4-210 and 84-5-118, and amendments thereto.

(73) "Security agreement" means an agreement that creates or provides for a security interest.

(74) "Send," in connection with a record or notification, means:

(A) To deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or

(B) to cause the record or notification to be received within the time that it would have been received if properly sent under subparagraph (A).

(75) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. The term does not include a computer program that is included in the definition of goods.

(76) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands or any territory or insular possession subject to the jurisdiction of the United States.

(77) "Statutory lien" means liens created by K.S.A. 2-1319, 2-2608, 2-3007, 34-239, 47-836, 58-201, 58-203, 58-204, 58-207, 58-218, 58-220, 58-221, 58-241, 58-242, 58-2524, 58-2525, 58-2526, 58-2527 and 58-2528, and K.S.A. 2019 Supp. 84-7-209, and amendments thereto.

(78) "Supporting obligation" means a letter-of-credit right or secondary obligation that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument, or investment property.

(79) "Tangible chattel paper" means chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.

(80) "Termination statement" means an amendment of a financing statement which:

(A) Identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates either that it is a termination statement or that the identified financing

statement is no longer effective.

(81) "Transmitting utility" means a person primarily engaged in the business of:

- (A) Operating a railroad, subway, street railway, or trolley bus;
- (B) transmitting communications electrically, electromagnetically, or by light;
- (C) transmitting goods by pipeline or sewer; or
- (D) transmitting or producing and transmitting electricity, steam, gas, or water.

(b) **Definitions in other articles.** The following definitions in other articles apply to this article:

"Applicant"	K.S.A. 84-5-102, and amendments thereto
"Beneficiary"	K.S.A. 84-5-102, and amendments thereto
"Broker"	K.S.A. 84-8-102, and amendments thereto
"Certificated security"	K.S.A. 84-8-102, and amendments thereto
"Check"	K.S.A. 84-3-104, and amendments thereto
"Clearing corporation"	K.S.A. 84-8-102, and amendments thereto
"Contract for sale"	K.S.A. 84-2-106, and amendments thereto
"Customer"	K.S.A. 84-4-104, and amendments thereto
"Entitlement holder"	K.S.A. 84-8-102, and amendments thereto
"Financial asset"	K.S.A. 84-8-102, and amendments thereto
"Holder in due course"	K.S.A. 84-3-302, and amendments thereto
"Issuer" (with respect to a letter of credit or letter-of-credit right)	K.S.A. 84-5-102, and amendments thereto
"Issuer" (with respect to a security)	K.S.A. 84-8-102, and amendments thereto
"Issuer" (with respect to documents of title)	K.S.A. 2019 Supp. 84-7-102, and amendments thereto
"Lease"	K.S.A. 84-2a-103, and amendments thereto
"Lease agreement"	K.S.A. 84-2a-103, and amendments thereto

"Lease contract"	K.S.A. 84-2a-103, and amendments thereto
"Leasehold interest"	K.S.A. 84-2a-103, and amendments thereto
"Lessee"	K.S.A. 84-2a-103, and amendments thereto
"Lessee in ordinary course of business"	K.S.A. 84-2a-103, and amendments thereto
"Lessor"	K.S.A. 84-2a-103, and amendments thereto
"Lessor's residual interest"	K.S.A. 84-2a-103, and amendments thereto
"Letter of credit"	K.S.A. 84-5-102, and amendments thereto
"Merchant"	K.S.A. 84-2-104, and amendments thereto
"Negotiable instrument"	K.S.A. 84-3-104, and amendments thereto
"Nominated person"	K.S.A. 84-5-102, and amendments thereto
"Note"	K.S.A. 84-3-104, and amendments thereto
"Proceeds of a letter of credit"	K.S.A. 84-5-114, and amendments thereto
"Prove"	K.S.A. 84-3-103, and amendments thereto
"Sale"	K.S.A. 84-2-106, and amendments thereto
"Securities account"	K.S.A. 84-8-501, and amendments thereto
"Securities intermediary"	K.S.A. 84-8-102, and amendments thereto
"Security"	K.S.A. 84-8-102, and amendments thereto
"Security certificate"	K.S.A. 84-8-102, and amendments thereto
"Security entitlement"	K.S.A. 84-8-102, and amendments thereto

"Uncertificated security"

K.S.A. 84-8-102,
and amendments thereto

(c) **Article 1 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, definitions and principles.** Article 1 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, contains general definitions and principles of construction and interpretation applicable throughout this article.

Sec. 57. K.S.A. 17-2711, 56-1a151, 56a-101, 57-205, 57-206, 57-207, and K.S.A. 2018 Supp. 17-7675, as amended by section 17 of chapter 47 of the 2019 Session Laws of Kansas, 17-7679, as amended by section 19 of chapter 47 of the 2019 Session Laws of Kansas, 17-7680, as amended by section 21 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,136, as amended by section 36 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,139, as amended by section 38 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,143, as amended by section 39 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,146, as amended by section 41 of chapter 47 of the 2019 Session Laws of Kansas, 17-7904, as amended by section 43 of chapter 47 of the 2019 Session Laws of Kansas, 17-7918, as amended by section 46 of chapter 47 of the 2019 Session Laws of Kansas, 17-7923, as amended by section 47 of chapter 47 of the 2019 Session Laws of Kansas, and 17-7933, as amended by section 49 of chapter 47 of the 2019 Session Laws of Kansas and K.S.A. 2019 Supp. 17-6014, 17-76,136, 17-76,139, 17-76,143a, 17-76,146, 17-76,147, 17-78-601, 17-7910, 45-229, and 56a-1001 are hereby repealed.

Sec. 58. On and after July 1, 2022, K.S.A. 17-1513, 17-1618, 17-2037, 17-4677, 17-5902, 17-7507, 17-7509, 17-7511, 53-601, 56-1a605, 75-446 and 75-447 and K.S.A. 2019 Supp. 17-2036, 17-2718, 17-4634, 17-6014, as amended by section 10 of this act, 17-7002, 17-7503, 17-7504, 17-7505, 17-7506, 17-7510, 17-7512, 17-7675, 17-7679, 17-7680, 17-76,136, 17-76,139, as amended by section 25 of this act, 17-76,143, 17-76,146, as amended by section 29 of this act, 17-76,147, as amended by section 31 of this act, 17-7903, 17-7904, 17-7905, 17-7906, 17-7910, as amended by section 38 of this act, 17-7918, 17-7923, 17-7933, 17-7936, 56-1a606, 56-1a607, 56a-1201, 56a-1202, 56a-1203, 84-1-201 and 84-9-102 are hereby repealed.";

On page 41, in line 2, by striking "July 1, 2022, and";

And by renumbering sections accordingly;

205, 57-206, 57-207, 75-447 and K.S.A. 2018 Supp. 17-7675, as amended by section 17 of chapter 47 of the 2019 Session Laws of Kansas, 17-7679, as amended by section 19 of chapter 47 of the 2019 Session Laws of Kansas, 17-7680, as amended by section 21 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,136, as amended by section 36 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,139, as amended by section 38 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,143, as amended by section 39 of chapter 47 of the 2019 Session Laws of Kansas, 17-76,146, as amended by section 41 of chapter 47 of the 2019 Session Laws of Kansas, 17-7904, as amended by section 43 of chapter 47 of the 2019 Session Laws of Kansas, 17-7918, as amended by section 46 of chapter 47 of the 2019 Session Laws of Kansas, 17-7923, as amended by section 47 of chapter 47 of the 2019 Session Laws of Kansas, and 17-7933, as amended by section 49 of chapter 47 of the 2019 Session Laws of Kansas, 84-1-201, as amended by section 51 of chapter 47 of the 2019 Session Laws of Kansas, and 84-9-102, as amended by section 52 of chapter 47 of the 2019 Session Laws of Kansas";

and the bill be passed as amended.

Committee on **Judiciary** recommends **SB 427** be passed.

Committee on **Taxation** recommends **SB 262**, as amended by Senate Committee, be passed.

Committee on **Taxation** recommends **SB 265** be passed.

Committee on **Taxation** recommends **SB 125** be amended by substituting with a new bill to be designated as "House Substitute for SENATE BILL NO. 125," as follows:

"House Substitute for SENATE BILL NO. 125

By Committee on Taxation

"AN ACT concerning property taxation; relating to payment of delinquent or nondelinquent taxes, providing for county treasurers to establish a payment plan, allowing county treasurers to waive interest and penalties for late tax payments; abatement of property taxes for agricultural improvement, public grain warehouse and commercial real property destroyed or substantially destroyed by natural disaster; amending K.S.A. 79-1613, 79-2024, 79-2302 and 79-2303 and repealing the existing sections."; and the substitute bill be passed.

(**H Sub for SB 125** was thereupon introduced and read by title.)

Committee on **Taxation** recommends **SB 235** be amended by substituting with a new bill to be designated as "House Substitute for SENATE BILL NO. 235," as follows:

"House Substitute for SENATE BILL NO. 235

By Committee on Taxation

"AN ACT concerning state finances; relating to bonding authority; municipal interest rate limitations; short term no-fund warrant financing during emergency; development finance authority bond issuance; amending K.S.A. 74-8905 and K.S.A. 2019 Supp. 10-1009 and 10-1116a and repealing the existing sections."; and the substitute bill be passed.

(**H Sub for SB 235** was thereupon introduced and read by title.)

Committee on **Taxation** recommends **SB 266** be amended by substituting with a new bill to be designated as "House Substitute for SENATE BILL NO. 266," as follows:

"House Substitute for SENATE BILL NO. 266

By Committee on Taxation

"AN ACT concerning taxation; relating to sales and compensating use taxes; requiring collection and remittance by marketplace facilitators; nexus; amending K.S.A. 79-3702 and repealing the existing section."; and the substitute bill be passed.

(**H Sub for SB 266** was thereupon introduced and read by title.)

Committee on **Taxation** recommends **SB 294**, as amended by Senate Committee of the Whole, CORRECTED, be amended on page 2, in line 30, by striking all before "rate" and inserting "revenue neutral";

On page 4, in line 20, by striking "2021" and inserting "2022"; in line 23, by striking "2021" and inserting "2022"; and the bill be passed as amended.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hawkins, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **HB 2054, HB 2510, HB 2702, HB 2160, HB 2246**.

MOTIONS TO CONCUR AND NONCONCUR

On motion of Rep. Patton, the House nonconcurrent in Senate amendments to **S. Sub for HB 2054** and asked for a conference.

Speaker Ryckman thereupon appointed Reps. Patton, Ralph and Carmichael as conferees on the part of the House.

On motion of Rep. Waymaster, the House nonconcurrent in Senate amendments to **HB 2510** and asked for a conference.

Speaker Ryckman thereupon appointed Reps. Waymaster, Hoffman and Wolfe Moore as conferees on the part of the House.

On motion of Rep. Tarwater, the House nonconcurrent in Senate amendments to **HB 2702** and asked for a conference.

Speaker Ryckman thereupon appointed Reps. Tarwater, Corbet and Frownfelter as conferees on the part of the House.

The House stood at ease until the sound of the gavel.

Speaker Ryckman called the House to order.

MESSAGES FROM THE SENATE

Announcing passage of **HB 2118**, as amended by **Senate Substitute for HB 2118**.

Announcing passage of **HB 2137**, as amended by **Senate Substitute for HB 2137**.

Announcing passage of **HB 2466**, as amended.

Announcing passage of **HB 2619**, as amended by **Senate Substitute for HB 2619**.

Announcing passage of **HB 2585**, as amended by **Senate Substitute for HB 2585**.

Announcing passage of **Sub HB 2018**, as amended by **Senate Substitute for Substitute for HB 2018**.

CHANGE OF CONFEREES

Reps. Waymaster, Hoffman, and Wolfe Moore are appointed to replace Reps. Proehl, Thimesch, and Helgerson as members of the conference committee on **HB 2246**.

Reps. Tarwater, Corbet, and Frownfelter are appointed to replace Reps. Waymaster, Hoffman, and Wolfe Moore as members of the conference committee on **HB 2510**.

Reps. Johnson, Mason, and Gartner are appointed to replace Reps. Tarwater, Corbet, and Frownfelter as members of the conference committee on **HB 2702**.

The House stood at ease until the sound of the gavel.

Speaker Ryckman called the House to order.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hawkins, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **HB 2466**, **HB 2137**, **HB 2585**.

MOTIONS TO CONCUR AND NONCONCUR

On motion of Rep. Johnson, the House nonconcurred in Senate amendments to **HB 2466** and asked for a conference.

Speaker Ryckman thereupon appointed Reps. Patton, Ralph and Carmichael as conferees on the part of the House.

On motion of Rep. Patton, the House concurred in Senate amendments to **S Sub HB 2137**, AN ACT concerning open records; relating to the open records act, exceptions to the disclosure of public records; legislative review of expiring sections, continuing such exceptions; eliminating a photograph record requirement in the scrap metal theft reduction act; amending K.S.A. 2018 Supp. 50-6,110, as amended by section 6 of chapter 66 of the 2019 Session Laws of Kansas, and K.S.A. 2019 Supp. 9-1810, 40-223j, 45-229 and 50-6a11 and repealing the existing sections.

On roll call, the vote was: Yeas 121; Nays 0; Present but not voting: 0; Absent or not voting: 3.

Yeas: Alcalá, Amyx, Arnberger, Awerkamp, Baker, Ballard, Barker, Bergquist, Bishop, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Clayton, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Finney, Francis, French, Frownfelter, Garber, Gartner, Hawkins, Helgerson, Helmer, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Horn, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lusk, Lynn, Mason, Murnan, Neighbor, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Phillips, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, L., Ruiz, S., Ryckman, Samsel, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Stogsdill, Straub, Sutton, Tarwater,

Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: None.

Present but not voting: None.

Absent or not voting: Kuether, Mastroni, Moore.

On motion of Rep. Hoheisel, to concur in Senate amendments to **S Sub HB 2585**, Rep. Carmichael offered a substitute motion to non-concur and that a conference committee be appointed. The motion of Rep. Carmichael did not prevail.

The question reverted back to the motion of Rep. Hoheisel and the House concurred to Senate amendments to **S Sub HB 2585**, AN ACT concerning utilities; relating to the state corporation commission; approval of certain contract and reduced electric rates; approval of cost recovery from rate classes; report to the legislature; income taxation; exemption from income taxation, certain public utilities; income tax expenses, exclusion from retail electric rates; amending K.S.A. 79-32,113 and repealing the existing section.

On roll call, the vote was: Yeas 75; Nays 45; Present but not voting: 1; Absent or not voting: 3.

Yeas: Arnberger, Baker, Bergquist, Burris, Capps, Carlson, B. Carpenter, W. Carpenter, Claeys, Clark, Collins, Concannon, Corbet, Cox, Croft, Delperdang, Dierks, Dietrich, Ellis, Eplee, Erickson, Esau, Finch, Francis, Frownfelter, Gartner, Hawkins, Helmer, Hineman, Hoffman, Hoheisel, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Kelly, Kessinger, Landwehr, Long, Lynn, Mason, Neighbor, Newland, Orr, Owens, Pannbacker, F. Patton, Proehl, Rahjes, Ralph, Resman, Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Waggoner, Ward, Warren, Wasinger, Waymaster, Wheeler, K. Williams, Wolfe Moore.

Nays: Alcalá, Amyx, Awerkamp, Ballard, Barker, Bishop, Blex, Burroughs, Carlin, Carmichael, Clayton, Curtis, Donohoe, Dove, Finney, French, Garber, Helgerson, Henderson, Highberger, Highland, Hodge, Holscher, Horn, Houser, Karleskint, Lusk, Murnan, Ohaebosim, Ousley, Parker, Phillips, Pittman, Probst, Rhiley, Ruiz, L., Ruiz, S., Stogsdill, Victors, Warfield, Weigel, Winn, Woodard, Xu, Yeager.

Present but not voting: Samsel.

Absent or not voting: Kuether, Mastroni, Moore.

EXPLANATION OF VOTE

MR. SPEAKER: I vote "Present" on **S Sub for HB 2585**. This bill now includes the content of **SB 339**, which I cannot support at present. In 2019, in **Substitute for SB 69**, the Legislature voted to spend over \$1 million on experts for the London Economics International (LEI) study.

Now, according to the Kansas Corporation Commission's opposition testimony dated March 10, 2020 and submitted to the House Committee on Energy, Utilities, and Telecommunications, **we are NOT following the recommendations of the LEI study**.

Our Committee did not get to hear from opponent or neutral conferees, nor did we have the opportunity to work or vote on the bill. — MARK SAMSEL

The House stood at ease until the sound of the gavel.

Speaker pro tem Finch called the House to order.

MESSAGES FROM THE SENATE

The Senate announced the appointment of Senators McGinn, Billinger, and Hawk as conferees on **HB 2246**

The Senate accedes to the request of the House for a conference on **HB 2702** and has appointed Senators Tyson, Kerschen and Holland as conferees on the part of the Senate.

The Senate accedes to the request of the House for a conference on **HB 2510** and has appointed Senators Baumgardner, Alley and Sykes as conferees on the part of the Senate.

The Senate accedes to the request of the House for a conference on **HB 2054** and has appointed Senators Wilborn, Rucker and Miller as conferees on the part of the Senate.

The Senate accedes to the request of the House for a conference on **HB 2466** and has appointed Senators Wilborn, Rucker and Miller as conferees on the part of the Senate.

The Senate adopts the Conference Committee report to agree to disagree on **HB 2054**, and has appointed Senators Wilborn, Rucker and Miller as Second conferees on the part of the Senate.

The Senate adopts the Conference Committee report to agree to disagree on **HB 2702**, and has appointed Senators Tyson, Kerschen and Holland as Second conferees on the part of the Senate.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **HB 2054** submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

And your committee on conference recommends the adoption of this report.

RICHARD WILBORN

ERIC RUCKER

Conferees on part of Senate

FRED PATTON

BRADLEY RALPH

JOHN CARMICHAEL

Conferees on part of House

On motion of Rep. Patton the conference committee report on **HB 2054** to agree to disagree, was adopted.

Speaker pro tem Finch thereupon appointed Reps. Patton, Ralph and Ward as second conferees on the part of the House.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **HB 2702** submits the following report:

Your committee on conference agrees to disagree and recommends that a new

conference committee be appointed;

And your committee on conference recommends the adoption of this report.

CARYN TYSON

DAN KERSCHEN

Conferees on part of Senate

STEVEN JOHNSON

LES MASON

Conferees on part of House

On motion of Rep. Johnson the conference committee report on **HB 2702** to agree to disagree, was adopted.

Speaker pro tem Finch thereupon appointed Reps. Johnson, Mason and Gartner as second conferees on the part of the House.

INTRODUCTION OF ORIGINAL MOTIONS

Rep. Hawkins moved pursuant to House Rule 2311, House Rule 101 be suspended for the purpose of working between the hours of 12 midnight and 8 a.m. The motion prevailed.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on **HB 2702**.

Announcing passage of **HB 2034**, as amended by **Senate Substitute for HB 2034**.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hawkins, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **HB 2034**, **HB 2619**.

MOTIONS TO CONCUR AND NONCONCUR

On motion of Rep. Patton, the House concurred in Senate amendments to **S Sub for HB 2034**, AN ACT concerning crimes, punishment and criminal procedure; relating to restitution; time of payment; amending K.S.A. 2019 Supp. 21-6604 and 21-6607 and repealing the existing sections.

On roll call, the vote was: Yeas 114; Nays 3; Present but not voting: 0; Absent or not voting: 7.

Yeas: Alcalá, Amyx, Arnberger, Awerkamp, Baker, Ballard, Barker, Bergquist, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Clayton, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Gartner, Hawkins, Helgerson, Helmer, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Horn, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lusk, Lynn, Mason, Murnan, Neighbor, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Pittman, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, S., Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Stogsdill, Straub, Sutton,

Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: Bishop, Probst, Samsel.

Present but not voting: None.

Absent or not voting: Finney, Frownfelter, Kuether, Mastroni, Moore, Phillips, Ruiz, L..

EXPLANATION OF VOTE

MR. SPEAKER: I vote “no” on **HB 2034**. By delaying legislative business, we imperiled the constitutionality of today’s bills. I have sworn to uphold the Kansas Constitution.

Article 2, Section 8 states that this “regular session” “shall not exceed ninety calendar days.” Now past 12:00 A.M. on May 22, 2020, we’re beyond that.

That time frame can be extended only “by an affirmative vote of two-thirds of the members elected to each house.” Art. 2, Sec. 8.

That never occurred. Perhaps **SCR 1615** attempted it. But it lacks an *affirmative* two-thirds vote by the Senate. *See* Bill History.

Today’s bills subject Kansans to expensive lawsuits. I vote NO. – MARK SAMSEL

On motion of Rep. Kelly, the House concurred in Senate amendments to **S Sub for HB 2619**, AN ACT concerning financial institutions; enacting the Kansas economic recovery loan deposit program; relating to credit unions, field of membership; banks, trust companies and savings and loan institutions, privilege tax, deduction of net interest received from certain agricultural real estate loans and single family residence loans; amending K.S.A. 75-4237 and 79-1109 and K.S.A. 2019 Supp. 17-2205 and repealing the existing sections.

On roll call, the vote was: Yeas 114; Nays 3; Present but not voting: 0; Absent or not voting: 7.

Yeas: Alcalá, Amyx, Arnberger, Awerkamp, Baker, Ballard, Barker, Bergquist, Bishop, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Clayton, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Gartner, Hawkins, Helmer, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Horn, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lynn, Mason, Murnan, Neighbor, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, S., Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Stogsdill, Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: Helgersson, Lusk, Samsel.

Present but not voting: None.

Absent or not voting: Finney, Frownfelter, Kuether, Mastroni, Moore, Phillips, Ruiz, L..

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **HB 2702** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 7 through 36;

By striking all on pages 2 through 4;

On page 5, by striking all in lines 1 through 28; following line 28, by inserting:

"New Section 1. The provisions of sections 1 through 6, and amendments thereto, shall be known and may be cited as the Kansas taxpayer protection act.

New Sec. 2. As used in this act:

(a) (1) "Paid tax return preparer" means any person who prepares or substantially prepares for compensation, or who employs one or more persons who prepare or substantially prepare for compensation, any income tax return or claim for refund, required to be filed pursuant to K.S.A. 79-3201 et seq., and amendments thereto.

(2) "Paid tax return preparer" does not include the following:

(A) An individual licensed as a certified public accountant in this state under K.S.A. 1-302b or 1-322, and amendments thereto;

(B) an individual licensed as a certified public accountant in another licensing jurisdiction and practicing in this state under K.S.A. 1-302b or 1-322, and amendments thereto; or

(C) an individual employed by a firm licensed in this state under K.S.A. 1-308, and amendments thereto, and preparing a return under the supervision of an individual described in subparagraph (A) or (B).

(b) "Secretary" means secretary of the Kansas department of revenue.

New Sec. 3. (a) On and after January 1, 2021, any income tax return or claim for refund prepared or substantially prepared by a paid tax return preparer shall be signed by the paid tax return preparer and shall bear the paid tax return preparer's federal internal revenue service preparer tax identification number. Any paid tax return preparer who fails to sign the income tax return or claim for refund or who fails to provide the preparer's federal internal revenue service preparer tax identification number shall pay a civil penalty of \$50 for each such failure to the Kansas department of revenue, unless it can be shown that the failure was due to reasonable cause and not willful or reckless conduct. The penalty imposed on any paid tax return preparer with respect to returns or claims for refund filed during any calendar year shall not exceed \$25,000 per paid tax return preparer.

(b) The penalty shall be imposed pursuant to this section upon the written order of the secretary or the secretary's designee to the paid tax return preparer who committed the violation. Such order shall state the violation, the penalty to be imposed and the right of the paid tax return preparer to appeal the order. Such order shall be subject to appeal and review in the manner provided by the Kansas administrative procedure act.

(c) Any penalty collected pursuant to this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

New Sec. 4. (a) The secretary or the secretary's designee is hereby authorized to enjoin any person from engaging in conduct described in subsection (b) or from further action as a paid tax return preparer under the provisions of the Kansas taxpayer protection act who is found to be in violation of this act. The secretary or the secretary's designee shall be entitled in any proceeding brought for such purpose to have an order restraining such person from engaging in conduct in violation of the provisions of this act. No bond shall be required for any such restraining order or for any temporary or permanent injunction issued in such proceedings. The secretary may commence suit in a court of competent jurisdiction to enjoin any paid tax return preparer from further engaging in any conduct described in subsection (b) or from further action as a paid tax return preparer in this state. The secretary may request the assistance of the attorney general or the attorney general's duly authorized designee to enforce provisions of this section.

(b) In an action pursuant to subsection (a), the court may enjoin the paid tax return preparer from further engaging in any conduct described in this subsection, if the court finds that injunctive relief is appropriate to prevent the occurrence of such conduct. The court may issue an injunction when the paid tax return preparer has engaged in any of the following conduct:

(1) Prepared any income tax return or claim for refund that includes an understatement of a taxpayer's liability due to an unreasonable position. As used in this subsection, "unreasonable position" means the same as defined by section 6694(a)(2) of the federal internal revenue code;

(2) prepared any income tax return or claim for refund that includes an understatement of a taxpayer's liability due to the paid tax return preparer's willful or reckless conduct. As used in this subsection, "willful or reckless conduct" means the same as defined by section 6694(b)(2) of the federal internal revenue code;

(3) where required, failed to do any of the following:

(A) Furnish a copy of the income tax return or claim for refund;

(B) sign the income tax return or claim for refund;

(C) furnish an identifying number;

(D) retain a copy of the income tax return or claim for refund; or

(E) be diligent in determining eligibility for tax benefits;

(4) negotiated a check issued to the taxpayer by the department of revenue without the permission of the taxpayer;

(5) engaged in any conduct subject to any criminal penalty provided for in chapter 79 of the Kansas Statutes Annotated, and amendments thereto;

(6) misrepresented the paid tax return preparer's eligibility to practice before the department of revenue or otherwise misrepresented the paid tax return preparer's experience or education;

(7) guaranteed the payment of any income tax refund or the allowance of any income tax credit; or

(8) engaged in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the tax laws of the state of Kansas.

(c) If the court finds that a paid tax return preparer has continually or repeatedly engaged in any conduct described in subsection (b) and that an injunction prohibiting the conduct would not be sufficient to prevent the person's interference with the proper administration of the tax laws of the state of Kansas, the court may enjoin the person

from acting as a paid tax return preparer in the state of Kansas. The fact that the person has been enjoined from preparing tax returns or claims for refund for the United States or any other state in the five years preceding the petition for an injunction shall establish a prima facie case for an injunction to be issued pursuant to this section. For purposes of this subsection, "state" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands or any territory or insular possession subject to the jurisdiction of the United States.

(d) The secretary or the secretary's designee shall annually report a summary of the secretary's enjoinder actions on the department of revenue's website.

New Sec. 5. (a) Preparation or substantial preparation of any income tax return or claim for refund filed pursuant to K.S.A. 79-3201 et seq., and amendments thereto, by a paid tax return preparer, whether or not a resident or citizen of this state, thereby submits the preparer to the jurisdiction of the courts of this state as to any cause of action arising from the provisions of this act.

(b) Every action pursuant to this act shall be brought in the district court of Shawnee county.

(c) In lieu of initiating or continuing an action or proceeding, the secretary or the secretary's designee may accept a consent judgment with respect to any act or practice declared to be a violation of this act. A consent judgment shall provide for the discontinuance by the paid tax return preparer entering the same of any act or practice declared to be a violation of this act. Any consent judgment entered into pursuant to this section shall not be deemed to admit the violation, unless it does so by its terms. Before any consent judgment entered into pursuant to this section shall be effective, it shall be approved by the district court and an entry made in the manner required for making an entry of judgment. Once such approval is received, any breach of the conditions of such consent judgment shall be treated as a violation of a court order and shall be subject to all the penalties provided by law.

New Sec. 6. The secretary may adopt rules and regulations necessary to carry out the provisions of the Kansas taxpayer protection act.

Sec. 7. K.S.A. 79-1110 is hereby amended to read as follows: 79-1110. (a) Every national banking association, bank, trust company, and savings and loan association subject to taxation under this act shall make its return and pay the tax imposed to the director of taxation on or before the 15th day of the fourth month following the close of its federal taxable year, in the same manner, except for computing the net income subject to tax, as corporations are required to make their returns and pay their taxes under the Kansas income tax act. Every such national banking association, bank, trust company and savings and loan association shall be subject to other provisions of the Kansas income tax act applicable to other corporations and shall be subject to the penalties imposed on corporations by K.S.A. 79-3222, 79-3228 and 79-3234 insofar as the same can be made applicable.

(b) With respect to tax year 2019, the deadline for filing returns shall be extended to July 15, 2020, for returns with original due dates of April 15, 2020, through July 15, 2020. With respect to tax year 2019, no penalty or interest authorized pursuant to K.S.A. 79-3228, and amendments thereto, shall be imposed if such tax liability is paid on or before July 15, 2020.

Sec. 8. K.S.A. 79-3221 is hereby amended to read as follows: 79-3221. (a) All returns required by this act shall be made as nearly as practical in the same form as the

corresponding form of income tax return by the United States. Unless another identifying number has been assigned to an individual by the internal revenue service for purposes of filing such individual's federal income tax return, the social security number issued to an individual, the individual's spouse, and all dependents of such individual for purposes of section 205 (c)(2)(A) of the social security act shall be used as the identifying number and included on the return when filing such return.

(b) All returns shall be filed in the office of the director of taxation on or before the 15th day of the fourth month following the close of the taxable year, except as provided in subsection (c) ~~hereof~~. Tentative returns may be filed before the close of the taxable year and the estimated tax computed on such return, paid, but no interest will be paid on any overpayment of tax liability, computed on such tentative return.

(c) ~~(1)~~ The director of taxation may grant a reasonable extension of time for filing returns in accordance with rules and regulations of the secretary of revenue. Whenever any such extension of time to file is requested by a taxpayer and granted by the director with respect to any tax year commencing after December 31, 1992, no penalty authorized by K.S.A. 79-3228, and amendments thereto, shall be imposed if 90% of the liability is paid on or before the original due date.

(2) With respect to tax year 2019, the deadline for filing returns shall be extended to July 15, 2020, for returns with original due dates of April 15, 2020, through July 15, 2020. With respect to tax year 2019, no penalty or interest authorized pursuant to K.S.A. 79-3228, and amendments thereto, shall be imposed if such tax liability is paid on or before July 15, 2020.

(d) In the case of an individual serving in the armed forces of the United States, or serving in support of such armed forces, in an area designated by the president of the United States by executive order as a "combat zone" as defined under 26 U.S.C. § 112 at any time during the period designated by the president by executive order as the period of combatant activities in such zone for the purposes of such section, or hospitalized as a result of injury received or sickness incurred while serving in such an area during such time, the period of service in such area, plus the period of continuous qualified hospitalization attributable to such injury or sickness, and the next 180 days thereafter, shall be disregarded in determining, under article 32 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, in respect to any tax liability, including any interest, penalty, additional amount, or addition to the tax, of such individual:

(1) Whether any of the following acts was performed within the time prescribed therefor: (A) Filing any return of income tax; (B) payment of any income tax or installment thereof; (C) filing a notice of appeal with the director of taxation or the state board of tax appeals for redetermination of a deficiency or for a review of a decision rendered by either the director or the state board of tax appeals; (D) allowance of a credit or refund of any income tax; (E) filing a claim for credit or refund of any income tax; (F) bringing suit upon any such claim for credit or refund; (G) assessment of any income tax; (H) giving or making any notice or demand for the payment of any income tax, or with respect to any liability to the state of Kansas in respect of any income tax; (I) collection, by the director of taxation or the director's agent, by warrant, levy or otherwise, of the amount of any liability in respect to any income tax; (J) bringing suit by the state of Kansas, or any officer on its behalf, in respect to any liability in respect of any income tax; and (K) any other act required or permitted under the Kansas income

tax act specified in rules and regulations adopted by the secretary of revenue under this section;

(2) the amount of any credit or refund.

(e) (1) Subsection (d) shall not apply for purposes of determining the amount of interest on any overpayment of tax.

(2) If an individual is entitled to the benefits of subsection (d) with respect to any return and such return is timely filed, determined after the application of ~~subsection (d), subsections (e)(5) and (e)(7)~~ of K.S.A. 79-32,105(d), (e)(5) and (e)(7), and amendments thereto, shall not apply.

(f) The provisions of subsections (d) through (j) shall apply to the spouse of any individual entitled to the benefits of subsection (d). Except in the case of the combat zone designated for purposes of the Vietnam conflict, this subsection shall not cause subsections (d) through (j) to apply for any spouse for any taxable year beginning more than two years after the date designated under 26 U.S.C. § 112, and amendments thereto, as the date of termination of combatant activities in a combat zone.

(g) The period of service in the area referred to in subsection (d) shall include the period during which an individual entitled to benefits under subsection (d) is in a missing status, within the meaning of 26 U.S.C. § 6013(f)(3).

(h) (1) Notwithstanding the provisions of subsection (d), any action or proceeding authorized by K.S.A. 79-3229, and amendments thereto, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun or prosecuted. In any other case in which the secretary determines that collection of the amount of any assessment would be jeopardized by delay, the provisions of subsection (d) shall not operate to stay collection of such amount by levy or otherwise as authorized by law. There shall be excluded from any amount assessed or collected pursuant to this subsection the amount of interest, penalty, additional amount, and addition to the tax, if any, in respect of the period disregarded under subsection (d). In any case to which this ~~subsections~~ subsection relates, if the secretary is required to give any notice to or make any demand upon any person, such requirement shall be deemed to be satisfied if the notice or demand is prepared and signed, in any case in which the address of such person last known to the secretary is in an area for which United States post offices under instructions of the postmaster general are not, by reason of the combatant activities, accepting mail for delivery at the time the notice or demand is signed. In such case the notice or demand shall be deemed to have been given or made upon the date it is signed.

(2) The assessment or collection of any tax under the provisions of article 32 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, or any action or proceeding by or on behalf of the state in connection therewith, may be made, taken, begun or prosecuted in accordance with law, without regard to the provisions of subsection (d), unless prior to such assessment, collection, action or proceeding it is ascertained that the person concerned is entitled to the benefits of subsection (d).

(i) (1) Any individual who performed Desert Shield services, and the spouse of such individual, shall be entitled to the benefits of subsections (d) through (j) in the same manner as if such services were services referred to in subsection (d).

(2) For purposes of this subsection, the term "Desert Shield services" means any services in the armed forces of the United States or in support of such armed forces if:

(A) Such services are performed in the area designated by the president as the

"Persian Gulf Desert Shield area"; and

(B) such services are performed during the period beginning on August 2, 1990, and ending on the date on which any portion of the area referred to in subsection (i)(2) (A) is designated by the president as a combat zone pursuant to 26 U.S.C. § 112.

(j) For purposes of subsection (d), the term "qualified hospitalization" means:

(1) Any hospitalization outside the United States; and

(2) any hospitalization inside the United States, except that not more than five years of hospitalization may be taken into account under this subsection. This subsection shall not apply for purposes of applying subsections (d) through (j) with respect to the spouse of an individual entitled to the benefits of subsection (d).

Sec. 9. K.S.A. 79-3225 is hereby amended to read as follows: 79-3225. (a) All taxes imposed under the provisions of the "Kansas income tax act" shall be paid on the 15th day of the fourth month following the close of the taxable year, except with respect to tax year 2019, such taxes shall be paid on or before July 15, 2020, if the return was due on or before July 15, 2020. When the tax as shown to be due on a return is less than \$5, such tax shall be canceled and no payment need be remitted by the taxpayer.

(b) The director of taxation may extend the time for payment of the tax, or any installment thereof, for a reasonable period of time not to exceed six months from the date fixed for payment thereof. Such extension may exceed six months in the case of a taxpayer who is abroad. Interest shall be charged at the rate prescribed by K.S.A. 79-2968(a) and amendments thereto for the period of such extension.

New Sec. 10. (a) On or before June 15 each year, the county clerk shall calculate the revenue neutral rate for each taxing subdivision and include such revenue neutral rate on the notice of the estimated assessed valuation provided to each taxing subdivision for budget purposes. The director of accounts and reports shall modify the prescribed budget information form to show the revenue neutral rate.

(b) No tax rate in excess of the revenue neutral rate shall be levied by the governing body of any taxing subdivision unless a resolution or ordinance has been approved by the governing body according to the following procedure:

(1) The governing body shall publish notice of its proposed intent to exceed the revenue neutral rate on the website of the governing body, if the governing body maintains a website, at least 10 days in advance of the public hearing. The notice shall include, but not be limited to, its proposed tax rate, its revenue neutral rate and the date, time and location of the public hearing.

(2) On or before July 15, the governing body shall notify the county clerk of its proposed intent to exceed the revenue neutral rate and provide the date, time and location of the public hearing and its proposed tax rate. The county clerk shall notify each taxpayer with property in the taxing subdivision, by mail directed to the taxpayer's last known address, of the proposed intent to exceed the revenue neutral rate at least 10 days in advance of the public hearing. Alternatively, the county clerk may transmit the notice to the taxpayer by electronic means at least 10 days in advance of the public hearing, if such taxpayer and county clerk have consented in writing to service by electronic means. Costs associated with the notice shall be borne by the taxing subdivision with payment due to the county clerk by December 31. The county clerk shall consolidate the required information for all taxing subdivisions relevant to the taxpayer's property on one notice. The notice shall include, but not be limited to:

(A) The revenue neutral rate;

- (B) the proposed property tax revenue needed to fund the proposed budget;
- (C) the proposed tax rate based upon the proposed budget and the current year's total assessed valuation;
- (D) the tax rate and property tax of the taxing subdivision on the taxpayer's property from the previous year's tax statement;
- (E) the proposed percent change in the tax rate between the previous year's tax rate and the proposed tax rate for the current year;
- (F) the appraised value and assessed value of the taxpayer's property for the current year;
- (G) the estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate and the proposed tax rate; and
- (H) the date, time and location of the public hearing.

(3) The public hearing to consider exceeding the revenue neutral rate shall be held on or before September 10. The governing body shall provide interested taxpayers desiring to be heard an opportunity to present oral testimony within reasonable time limits and without unreasonable restriction on the number of individuals allowed to make public comment. The public hearing may be conducted in conjunction with the proposed budget hearing pursuant to K.S.A. 79-2929, and amendments thereto, if the governing body otherwise complies with all requirements of this section.

(4) A majority vote of the governing body, by the adoption of a resolution or ordinance to approve exceeding the revenue neutral rate, shall be required prior to adoption of a proposed budget that will result in a tax rate in excess of the revenue neutral rate. Such vote of the governing body shall be conducted at the public hearing after the governing body has heard from interested taxpayers.

(c) Any governing body subject to the provisions of this section that does not comply with subsection (b) shall refund to taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate. The provisions of this subsection shall not be construed as prohibiting any other remedies available under the law.

(d) The provisions of this section shall not apply to school districts organized and operating under the laws of this state.

(e) If the governing body of a taxing subdivision must conduct a public hearing to approve exceeding the revenue neutral rate under this section, the governing body of the taxing subdivision shall certify, on or before September 20, to the proper county clerk the amount of ad valorem tax to be levied.

(f) As used in this section:

(1) "Taxing subdivision" means any political subdivision of the state that levies an ad valorem tax on property.

(2) "Revenue neutral rate" means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation. To calculate the revenue neutral rate, the county clerk shall divide the property tax revenue for such taxing subdivision levied for the previous tax year by the total of all taxable assessed valuation in such taxing subdivision for the current tax year, and then multiply the quotient by 1,000 to express the rate in mills. The revenue neutral rate shall be expressed to the third decimal place.

(g) The provisions of this section shall take effect and be in force from and after January 1, 2021.

New Sec. 11. (a) Notwithstanding any provision of law to the contrary, no interest shall accrue on any unpaid property tax for tax year 2019 pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, from May 10, 2020, through August 10, 2020, nor shall the unpaid tax for tax year 2019 be considered delinquent during this period.

(b) With respect to any unpaid property tax for tax year 2019 due pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, the county shall waive any fees, expenses and costs relating to delinquent property tax collection procedures that the county charged to the taxpayer prior to August 11, 2020.

(c) The county may refund, credit or retain any interest, fees, expenses or costs collected prior to the effective date of this act if the total amount collected is equal to or less than \$25 for each delinquent property.

Sec. 12. K.S.A. 79-1460 is hereby amended to read as follows: 79-1460. (a) The county appraiser shall notify each taxpayer in the county annually on or before March 1 for real property and May 1 for personal property, by mail directed to the taxpayer's last known address, of the classification and appraised valuation of the taxpayer's property, except that, the valuation for all real property shall not be increased unless the record of the latest physical inspection was reviewed by the county or district appraiser, and documentation exists to support such increase in valuation in compliance with the directives and specifications of the director of property valuation, and such record and documentation is available to the affected taxpayer. The valuation for all real property also shall not be increased solely as the result of normal repair, replacement or maintenance of existing structures, equipment or improvements on the property. For purposes of this section, "normal repair, replacement or maintenance" does not include new construction as defined in this section. For the next two taxable years following the taxable year that the valuation for commercial real property has been reduced due to a final determination made pursuant to the valuation appeals process, the county appraiser shall review the computer-assisted mass-appraisal of the property and if the valuation in either of those two years exceeds the value of the previous year by more than 5%, excluding new construction, change in use or change in classification, the county appraiser shall either: (1) Adjust the valuation of the property based on the information provided in the previous appeal; or (2) order an independent fee simple appraisal of the property to be performed by a Kansas certified real property appraiser. As used in this section, "new construction" means the construction of any new structure or improvements or the remodeling or renovation of any existing structures or improvements on real property. When the valuation for real property has been reduced due to a final determination made pursuant to the valuation appeals process for the prior year, and the county appraiser has already certified the appraisal rolls for the current year to the county clerk pursuant to K.S.A. 79-1466, and amendments thereto, the county appraiser may amend the appraisal rolls and certify the changes to the county clerk to implement the provisions of this subsection and reduce the valuation of the real property to the prior year's final determination, except that such changes shall not be made after October 31 of the current year. For the purposes of this section and in the case of real property, the term "taxpayer" shall be deemed to be the person in ownership of the property as indicated on the records of the office of register of deeds or county clerk and, in the case where the real property or improvement thereon is the subject of a lease agreement, such term shall also be deemed to include the lessee of such property if the lease agreement has been recorded or filed in the office of the register of deeds.

Such notice shall specify separately both the previous and current appraised and assessed values for each property class identified on the parcel. Such notice shall also contain the uniform parcel identification number prescribed by the director of property valuation. Such notice shall also contain a statement of the taxpayer's right to appeal, the procedure to be followed in making such appeal and the availability without charge of the guide devised pursuant to subsection (b). Such notice may, and if the board of county commissioners so require, shall provide the parcel identification number, address and the sale date and amount of any or all sales utilized in the determination of appraised value of residential real property. In any year in which no change in appraised valuation of any real property from its appraised valuation in the next preceding year is determined, an alternative form of notification which has been approved by the director of property valuation may be utilized by a county. Failure to timely mail or receive such notice shall in no way invalidate the classification or appraised valuation as changed. The secretary of revenue shall adopt rules and regulations necessary to implement the provisions of this section.

(b) For all taxable years commencing after December 31, 1999, there shall be provided to each taxpayer, upon request, a guide to the property tax appeals process. The director of the division of property valuation shall devise and publish such guide, and shall provide sufficient copies thereof to all county appraisers. Such guide shall include but not be limited to: (1) A restatement of the law which pertains to the process and practice of property appraisal methodology, including the contents of K.S.A. 79-503a and 79-1460, and amendments thereto; (2) the procedures of the appeals process, including the order and burden of proof of each party and time frames required by law; and (3) such other information deemed necessary to educate and enable a taxpayer to properly and competently pursue an appraisal appeal.

Sec. 13. K.S.A. 79-1801 is hereby amended to read as follows: 79-1801. (a) Except as provided by subsection (b), each year the governing body of any city, the trustees of any township, the board of education of any school district and the governing bodies of all other taxing subdivisions shall certify, on or before August 25, to the proper county clerk the amount of ad valorem tax to be levied. Thereupon, the county clerk shall place the tax upon the tax roll of the county, in the manner prescribed by law, and the tax shall be collected by the county treasurer. The county treasurer shall distribute the proceeds of the taxes levied by each taxing subdivision in the manner provided by K.S.A. 12-1678a, and amendments thereto.

(b) Prior to January 1, 2021, if the governing body of a city or county must conduct an election for an increase in property tax to fund any appropriation or budget under K.S.A. 2019 Supp. 25-433a, and amendments thereto, the governing body of the city or county shall certify, on or before October 1, to the proper county clerk the amount of ad valorem tax to be levied. On and after January 1, 2021, if the governing body of a taxing subdivision must conduct a public hearing to approve exceeding the revenue neutral rate under section 10, and amendments thereto, the governing body of the taxing subdivision shall certify, on or before September 20, to the proper county clerk the amount of ad valorem tax to be levied.

Sec. 14. K.S.A. 79-2302 is hereby amended to read as follows: 79-2302. (a) Except as provided in subsection (b), between July 1 and July 10 of each year, the county treasurer shall prepare a list of all real estate subject to sale, describing the real estate in the same manner as described of record in the office of the county clerk or the register

of deeds of the county in which the real estate is located. The county treasurer also shall prepare an accompanying notice stating that the county treasurer will sell the real estate described in the list to the county for the amount of the delinquent taxes and legal charges due on the real estate and that the sale will be on or after the first Tuesday of September following publication of the notice under K.S.A. 79-2303, and amendments thereto. The list shall show the names of the owners of the real estate, as shown of record in the office of the county clerk or the register of deeds of the county in which the real estate is located, the description and address, if available, of each tract or parcel of land and the total of the amount of unpaid taxes upon each tract or parcel. If any county treasurer at any time discovers that any tract or lot of real estate has not been put on the list of delinquent taxes and not sold for any preceding year, the treasurer shall be required to place the omitted tract or lot on the list of delinquent taxes for the current year, and sell the tract or lot as directed by this act in other cases.

(b) For tax year 2019, between August 11, 2020, and August 21, 2020, the county treasurer shall prepare such list of all real estate subject to sale that lists all real estate for which the 2019 taxes have not been paid in full on or before August 10, 2020.

Sec. 15. K.S.A. 79-2303 is hereby amended to read as follows: 79-2303. (a) The county treasurer shall cause the notice and list prepared under K.S.A. 79-2302, and amendments thereto, to be published in the official county newspaper or in a newspaper of general circulation in the county in accordance with the provisions of K.S.A. 64-101, and amendments thereto. Except as provided in subsection (b), the notice and list shall be submitted to the newspaper on or before August 1 of each year and shall be published once each week for three consecutive weeks immediately prior to the week when the day of sale will occur. The county treasurer also shall cause a copy of the list and notice to be posted in some conspicuous place in the county treasurer's office. The cost of publication of the notice and list shall be paid from the general fund of the county, and a \$15 fee for each tract or lot shall be added to the tax due for the tract or lot as part of the costs of collection. The fee shall be collected in the manner provided for the collection of the unpaid taxes.

(b) With respect to tax year 2019, the notice and list shall be submitted to the newspaper on or before September 1, 2020, and shall be published once each week for three consecutive weeks immediately prior to the week when the day of sale will occur. The county treasurer shall advertise and sell such real estate on or before the fourth Monday of October 2020, and such advertisement and sale shall conform in all respects to the provisions of this act and shall be as binding and valid as if such sale had been made on the first Tuesday of September.

Sec. 16. K.S.A. 79-2925c is hereby amended to read as follows: 79-2925c. (a) (1) On and after January 1, 2017, and prior to January 1, 2021, the governing body of any city or county shall not approve any appropriation or budget which provides for funding by property tax revenues in an amount exceeding that of the next preceding year as adjusted to reflect the average changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding five calendar years, which shall not be less than zero, unless the city or county approves the appropriation or budget with the adoption of a resolution and such resolution has been submitted to and approved by a majority of the qualified electors of the city or county voting at an election called and held thereon, except as otherwise provided.

(2) The election shall be called and held in the manner provided by K.S.A. 10-120,

and amendments thereto, and may be:

(A) Held at the next regularly scheduled election to be held in August or November;

(B) may be a mail ballot election, conducted in accordance with K.S.A. 25-431 et seq., and amendments thereto; or

(C) may be a special election called by the city or county. Nothing in this subsection shall prevent any city or county from holding more than one election in any year. The city or county requesting the election shall be responsible for paying all costs associated with conducting the election.

(b) A resolution by the governing body of a city or county otherwise required by the provisions of this section shall not be required to be approved by an election required by subsection (a) under the following circumstances:

(1) Increased property tax revenues that, in the current year, are produced and attributable to the taxation of:

(A) The construction of any new structures or improvements or the remodeling or renovation of any existing structures or improvements on real property, which shall not include any ordinary maintenance or repair of any existing structures or improvements on the property;

(B) increased personal property valuation;

(C) real property located within added jurisdictional territory;

(D) real property which has changed in use;

(E) expiration of any abatement of property from property tax; or

(F) expiration of a tax increment financing district, rural housing incentive district, neighborhood revitalization area or any other similar property tax rebate or redirection program.

(2) Increased property tax revenues that will be spent on:

(A) Bond, temporary notes, no fund warrants, state infrastructure loans and interest payments not exceeding the amount of ad valorem property taxes levied in support of such payments, and payments made to a public building commission and lease payments but only to the extent such payments were obligations that existed prior to July 1, 2016;

(B) payment of special assessments not exceeding the amount of ad valorem property taxes levied in support of such payments;

(C) court judgments or settlements of legal actions against the city or county and legal costs directly related to such judgments or settlements;

(D) expenditures of city or county funds that are specifically mandated by federal or state law with such mandates becoming effective on or after July 1, 2015, and loss of funds from federal sources after January 1, 2017, where the city or county is contractually obligated to provide a service;

(E) expenses relating to a federal, state or local disaster or federal, state or local emergency, including, but not limited to, a financial emergency, declared by a federal or state official. The board of county commissioners may request the governor to declare such disaster or emergency; or

(F) increased costs above the consumer price index for law enforcement, fire protection or emergency medical services.

(3) Any increased property tax revenues generated for law enforcement, fire protection or emergency medical services shall be expended exclusively for these

purposes but shall not be used for the construction or remodeling of buildings.

(4) The property tax revenues levied by the city or county have declined:

(A) In one or more of the next preceding three calendar years and the increase in the amount of funding for the budget or appropriation from revenue produced from property taxes does not exceed the average amount of funding from such revenue of the next preceding three calendar years, adjusted to reflect changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding calendar year; or

(B) the increase in the amount of ad valorem tax to be levied is less than the change in the consumer price index plus the loss of assessed property valuation that has occurred as the result of legislative action, judicial action or a ruling by the board of tax appeals.

(5) Whenever a city or county is required by law to levy taxes for the financing of the budget of any political or governmental subdivision of this state that is not authorized by law to levy taxes on its own behalf, and the governing body of such city or county is not authorized or empowered to modify or reduce the amount of taxes levied therefore, the tax levies of the political or governmental subdivision shall not be included in or considered in computing the aggregate limitation upon the property tax levies of the city or county.

(6) Any tax levy increase as a result of another taxing entity being dissolved and all powers, responsibilities, duties and liabilities of the taxing entity have been transferred to a city located in the county in which the taxing entity is located, or to the county in which the taxing entity is located, to carry on the function and responsibilities of the dissolved taxing entity, so long as the levy increase does not exceed the levy of the dissolved taxing entity.

Sec. 17. K.S.A. 79-2024 is hereby amended to read as follows: 79-2024. Notwithstanding any other provision of law to the contrary, the county treasurer of every county may accept partial payment ~~of~~ or establish a payment plan for delinquent or nondelinquent real property tax or personal property tax in accordance with payment guidelines established therefor by the county treasurer. Nothing in this section shall be construed to modify any consequences of untimely payment.

Sec. 18. K.S.A. 79-1110, 79-1460, 79-1801, 79-2024, 79-2302, 79-2303, 79-2925c, 79-3221 and 79-3225 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking lines 2 and 3; in line 4, by striking all before the second "and" and inserting "taxation; relating to income tax, enacting the Kansas taxpayer protection act regulating paid tax return preparers, extending certain return filing and tax payment deadlines; property taxation, rates, truth in taxation and establishing notice and public hearing requirements prior to approval to exceed revenue neutral rate, discontinuing the city and county tax lid, time for payment of real property and personal property taxes, providing for waiver of interest and fees for late property tax payments for a certain period of time, extending the time for listing and publication of delinquent real estate subject to sale, prohibiting valuation increase of real property solely as the result of normal repair, replacement or maintenance, establishment of a payment plan for the payment of delinquent or nondelinquent taxes; amending K.S.A. 79-1110, 79-1460, 79-1801, 79-2024, 79-2302, 79-2303, 79-2925c, 79-3221 and 79-3225";

And your committee on conference recommends the adoption of this report.

CARYN TYSON
DAN KERSCHEN
TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON
LES MASON

Conferees on part of House

On motion of Rep. Johnson, to adopt the conference committee report on **HB 2702**, Rep. Gartner offered a substitute motion to not adopt the conference committee report and that a new conference committee be appointed.

The substitute motion of Rep. Gartner did not prevail and the question reverted back to the original motion of Rep. Johnson to adopt the conference committee report.

On motion of Rep. Johnson, the conference committee report on **HB 2702** was adopted.

On roll call, the vote was: Yeas 89; Nays 28; Present but not voting: 0; Absent or not voting: 7.

Yeas: Alcala, Arnberger, Awerkamp, Baker, Barker, Bergquist, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeyes, Clark, Collins, Corbet, Cox, Croft, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Hawkins, Helgerson, Helmer, Highland, Hineman, Hodge, Hoffman, Hoheisel, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lynn, Mason, Newland, Ohaebosim, Orr, Owens, Pannbacker, F. Patton, Pittman, Proehl, Rahjes, Resman, Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams.

Nays: Amyx, Ballard, Bishop, Clayton, Concannon, Curtis, Gartner, Henderson, Highberger, Holscher, Horn, Lusk, Murnan, Neighbor, Ousley, Parker, Probst, Ralph, Rhiley, Ruiz, S., Samsel, Stogsdill, Vickrey, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Present but not voting: None.

Absent or not voting: Finney, Frownfelter, Kuether, Mastroni, Moore, Phillips, Ruiz, L..

MESSAGE FROM THE SENATE

The Senate adopts the Conference Committee report on **HB 2246**.

The Senate adopts the Conference Committee report on **HB 2510**.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **HB 2510** submits the following report: The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 5 through 36;

On page 2, by striking all in lines 1 through 31; following line 31, by inserting:

"New Section 1. (a) The provisions of section 1 et seq., and amendments thereto,

shall be known and may be cited as the Kansas promise scholarship act.

(b) As used in the Kansas promise scholarship act:

(1) "Eligible postsecondary educational institution" means:

(A) Any community college established pursuant to chapter 71 of the Kansas Statutes Annotated, and amendments thereto;

(B) any technical college established under the laws of this state;

(C) the Washburn institute of technology; or

(D) any two-year associate degree program or career and technical education program offered by a private postsecondary educational institution accredited by the higher learning commission with its primary location in Kansas.

(2) "Military servicemember" means the same as defined in K.S.A. 2019 Supp. 48-3406, and amendments thereto.

New Sec. 2. (a) There is hereby established the Kansas promise scholarship program. The state board of regents shall administer the program.

(b) On or before March 1, 2021, the state board of regents shall adopt rules and regulations to implement and administer the Kansas promise scholarship program. Such rules and regulations shall establish:

(1) Scholarship application deadlines;

(2) appeal procedures for denial or revocation of a Kansas promise scholarship;

(3) guidelines to ensure as much as is practicable that, if a student who received a Kansas promise scholarship graduates from a career and technical education program or transfer associate degree program pursuant to this act and subsequently enrolls in a state educational institution, as defined in K.S.A. 76-711, and amendments thereto, or municipal university any courses taken by such student shall be transferred to the state educational institution or municipal university and qualify toward the student's baccalaureate degree;

(4) procedures for a student who receives a Kansas promise scholarship to record and report proof of community service and community service hours;

(5) the terms, conditions and requirements that shall be incorporated into each Kansas promise scholarship agreement;

(6) procedures for requesting and approving medical, military and personal absences from an eligible postsecondary educational institution while receiving a Kansas promise scholarship;

(7) criteria for determining whether any student who received a Kansas promise scholarship fulfilled the employment and repayment requirements included in a Kansas promise scholarship agreement as provided in section 5, and amendments thereto; and

(8) criteria for determining when a student who received a Kansas promise scholarship may be released from the requirements of a Kansas promise scholarship, if there are special circumstances that caused such student to be unable to complete such requirements.

(c) The state board of regents shall:

(1) Work with community partners, such as community foundations, school districts, postsecondary educational institutions, Kansas business and industry and Kansas economic development organizations to publicize Kansas promise scholarships, including, but not limited to, publicizing eligible postsecondary educational institutions, approved scholarship-eligible educational programs, application procedures and application deadlines;

(2) allocate funds to each eligible postsecondary educational institution for the purpose of awarding Kansas promise scholarships;

(3) request information from eligible postsecondary educational institutions necessary for the administration of this act;

(4) annually collaborate with the department of commerce and Kansas business and industry to identify up to 10 job fields and pathways that currently have the highest need for skilled employees;

(5) designate scholarship-eligible career and technical programs and transfer education programs that correspond to the job fields and pathways identified in paragraph (4);

(6) ensure that any student who received a Kansas promise scholarship fulfills the employment or repayment requirements provided in section 5, and amendments thereto; and

(7) beginning January 2021, annually evaluate the Kansas promise scholarship program and prepare and submit a report to the senate standing committee on education and the house of representatives standing committee on education.

New Sec. 3. (a) Subject to appropriations, the amount of a Kansas promise scholarship for a student for each semester shall be the aggregate amount of tuition, required fees and the cost of books and required materials for the educational program at the eligible postsecondary educational institution for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such semester. Aid includes any grant, scholarship or financial assistance awards that do not require repayment. During any fiscal year, the appropriation pursuant to this section shall not exceed \$10,000,000.

(b) If a student is enrolled in an eligible postsecondary education program offered by a four-year eligible postsecondary educational institution, the aggregate amount of tuition, mandatory fees and the cost of books and materials for such eligible postsecondary education program shall be the average cost of tuition, mandatory fees and the cost of books and materials for such eligible postsecondary education program when offered by an eligible public postsecondary educational institution that is not a four-year institution.

New Sec. 4. (a) To be eligible for a Kansas promise scholarship, a student shall:

(1) Be a Kansas resident;

(2) be enrolled in grade 12 in an eligible high school, be a graduate of a Kansas public or private secondary school, have been in the custody of the secretary for children and families as a minor pursuant to the revised Kansas code for care of children at any time while enrolled in any of the grades six through 12 or have obtained a high school equivalency certificate within the preceding 12 months. This paragraph shall not apply to a student who is a dependent child of a military servicemember permanently stationed in another state who graduates from a postsecondary school or obtains a high school equivalency certificate within the preceding 12 months;

(3) complete the required scholarship application on such forms and in such manner as established by the state board of regents;

(4) enter into a Kansas promise scholarship agreement pursuant to section 5, and amendments thereto;

(5) complete the free application for federal student aid for the academic year in which the student applies to receive a Kansas promise scholarship; and

(6) enroll in an eligible postsecondary educational institution in a scholarship-eligible career and technical education program or associate degree program with coursework in an identified job field that corresponds to a baccalaureate degree program.

(b) To continue to receive a Kansas promise scholarship, a student shall:

(1) Annually complete 100 hours of community service or be verified by the eligible postsecondary educational institution to be employed part-time throughout the time period in which the student is receiving a Kansas promise scholarship;

(2) maintain a minimum cumulative grade point average of 2.0; and

(3) satisfy any other requirements of a Kansas promise scholarship agreement as provided in section 5, and amendments thereto.

(c) Nothing in this act shall prohibit a student who received postsecondary course credit while enrolled in high school from qualifying for a Kansas promise scholarship.

New Sec. 5. (a) As a condition to receiving a Kansas promise scholarship, an eligible student shall enter into a Kansas promise scholarship agreement with the eligible postsecondary educational institution making the scholarship award to such student. Such agreement shall require such student who receives a Kansas promise scholarship to:

(1) Enroll as a full-time student at the eligible postsecondary educational institution for which the student is receiving a Kansas promise scholarship and engage in and complete the required career and technical education program or associate degree program with coursework in an identified job field that corresponds to a baccalaureate degree program;

(2) within six months after graduation from the career and technical education program or associate degree program with coursework in an identified job field that corresponds to a baccalaureate degree program:

(A) Commence work in the state of Kansas for at least two consecutive years following completion of such program; or

(B) enroll as a full-time student in any public or private postsecondary educational institution with its primary location in Kansas and upon graduation or failure to re-enroll as a full-time student at such institution, commence work in Kansas for at least two consecutive years following the completion of such program;

(3) maintain records and make reports to the state board of regents on such forms and in such manner as required by the state board of regents to document the satisfaction of the requirements of this act; and

(4) upon failure to satisfy the requirements of a Kansas promise scholarship agreement, repay the amount of the Kansas promise scholarship the student received under the program as provided in subsection (b).

(b) (1) Except as provided in subsection (c), if any student who receives a Kansas promise scholarship fails to satisfy the requirements of a Kansas promise scholarship agreement entered into pursuant to this section, such student shall pay an amount equal to the total amount of money received by such student pursuant to such agreement that is financed by the state of Kansas plus accrued interest at a rate equivalent to the interest rate applicable to loans made under the federal PLUS program at the time such person first entered into an agreement. Installment payments of such amounts may be made in accordance with rules and regulations of the state board of regents. Such installment payments shall begin six months after the date of the action or

circumstances that cause such student to fail to satisfy the requirements of a Kansas promise scholarship agreement, as determined by the state board of regents upon the circumstances of each individual case. All moneys received pursuant to this subsection shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(2) The state board of regents is authorized to turn any repayment account arising under this act to a designated loan servicer or collection agency, the state not being involved other than to receive payments from the loan servicer or collection agency at the interest rate prescribed under this subsection.

(c) Any requirement under a Kansas promise scholarship agreement entered into pursuant to this section may be postponed for good cause in accordance with rules and regulations of the state board of regents.

(d) A student who received a Kansas promise scholarship and entered into a Kansas promise scholarship agreement satisfies the requirements under such agreement when such student:

- (1) Completes the requirements in accordance with such agreement;
- (2) fails to satisfy the requirements for completion of the educational requirements after making the best effort possible to do so;
- (3) is unable to obtain employment and continue in such employment after making the best effort possible to do so;
- (4) is unable to satisfy the requirements due to permanent physical disability; or
- (5) dies.

New Sec. 6. On and after July 1, 2025, no Kansas promise scholarship shall be awarded to any student who has not previously been awarded a Kansas promise scholarship prior to July 1, 2025.

New Sec. 7. (a) The state department of education and the department for children and families shall collaborate to prepare a Kansas foster care children annual academic report card. The annual report card shall include the following data for the preceding school year:

- (1) The graduation rate of foster care students;
- (2) the number and percentage of foster care students that were promoted to the next grade level;
- (3) the number and percentage of foster care students that were suspended during the school year;
- (4) the number and percentage of foster care students that were expelled during the school year;
- (5) state standardized assessment scores for foster care students, including the number and percentage of students meeting academic standards as determined by the state board of education;
- (6) the number and percentage of foster care students enrolled in any preschool-aged at-risk program, Kansas preschool pilot program or early childhood special education program under section 619 of part B of the individuals with disabilities act;
- (7) the number and percentage of foster care students that participated in the mental health intervention team pilot program or a similar mental health program;
- (8) the total number of foster care students enrolled in a school district or nonpublic

school and the disaggregated number and percentage of foster care students enrolled in school districts and accredited nonpublic schools; and

(9) de-identified disaggregated race and ethnicity data for each data set required in paragraphs (1) through (8).

(b) On or before January 15 of each year, the state department of education and the department for children and families shall prepare and submit the Kansas foster care children annual academic report card to the senate committee on education and the house committee on education.

(c) As used in this section:

(1) "Foster care student" means any individual who was in the custody of the Kansas department for children and families at any time when such student attended a school during the school year for which the report required pursuant to this section is to be completed.

(2) "School" means any school of a school district or any nonpublic school accredited by the state board of education.

New Sec. 8. (a) The state board of regents is hereby authorized and empowered, for and on behalf of Kansas state university, to sell and convey all of the rights, title and interest subject to all easements and appurtenances in the following described real estate located in Saline county, Kansas: Lot Eleven (11), less West 100' feet, Block Twelve (12), Schilling Subdivision No. 5, to the City of Salina, Saline County, Kansas. Formerly a tract of land in Block Two (2) Schilling Subdivision Lying in the Northeast Quarter (NE/4) of Section Three (3), Township Fifteen (15) South, Range Three (3) West of the Sixth (6th) P.M. as shown in Deed recorded November 18, 1966, in Book 268, pages 476 through 503 and legal found on page 485.

(b) Conveyance of such rights, title and interest in such real estate shall be executed in the name of the state board of regents by its chairperson and executive officer. All proceeds from the sale and conveyance thereof shall be deposited in the restricted fees account of Kansas state university.

(c) No conveyance of real estate authorized by this section shall be made or accepted by the state board of regents until the deeds, titles and conveyances have been reviewed and approved by the attorney general. In the event that the state board of regents determines that the legal description of the real estate described in this section is incorrect, the state board of regents may convey the property utilizing the correct legal description, but the deed conveying the property shall be subject to the approval of the attorney general. The conveyance authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a or 75-6609, and amendments thereto.

New Sec. 9. (a) Each eligible postsecondary educational institution that accepts students for enrollment pursuant to the Kansas challenge to secondary school students act shall submit a report annually to the state board of regents. Such report shall include, but not be limited to, the following:

(1) The number of students from each school district enrolled in the eligible postsecondary educational institution, including the number of students in the custody of the secretary for children and families;

(2) the number of students who successfully complete the courses in which such students are enrolled at the eligible postsecondary educational institution;

(3) the tuition rate charged for students compared to the tuition rate charged to individuals who are regularly enrolled and attending the eligible postsecondary

educational institution; and

(4) the amount and percentage of tuition each school district is paying pursuant to K.S.A. 72-3223, and amendments thereto.

(b) The state board of regents shall compile and prepare a summary report of the reports submitted pursuant to subsection (a) and shall submit such report to the house standing committee on education and the senate standing committee on education on or before February 15 of each year commencing in 2021.

Sec. 10. K.S.A. 2019 Supp. 17-2707 is hereby amended to read as follows: 17-2707. As used in this act, unless the context clearly indicates that a different meaning is intended:

(a) "Professional corporation" means a corporation organized under this act.

(b) "Professional service" means the type of personal service rendered by a person duly licensed, registered or certified by this state as a member of any of the following professions, each paragraph constituting one type:

- (1) A certified public accountant;
- (2) an architect;
- (3) an attorney-at-law;
- (4) a chiropractor;
- (5) a dentist;
- (6) an engineer;
- (7) an optometrist;
- (8) an osteopathic physician or surgeon;
- (9) a physician, surgeon or doctor of medicine;
- (10) a veterinarian;
- (11) a podiatrist;
- (12) a pharmacist;
- (13) a land surveyor;
- (14) a licensed psychologist;
- (15) a specialist in clinical social work;
- (16) a licensed physical therapist;
- (17) a landscape architect;
- (18) a registered professional nurse;
- (19) a real estate broker or salesperson;
- (20) a clinical professional counselor;
- (21) a geologist;
- (22) a clinical psychotherapist;
- (23) a clinical marriage and family therapist;
- (24) a licensed physician assistant;
- (25) a licensed occupational therapist;
- (26) a licensed audiologist;
- (27) a licensed speech-pathologist; and
- (28) a licensed naturopathic doctor.

(c) "Regulating board" means the court, board or state agency ~~which that~~ is charged with the licensing, registering or certifying and regulation of the practice of the profession ~~which that~~ the professional corporation is organized to render.

(d) "Qualified person" means:

- (1) Any natural person licensed, registered or certified to practice the same type of

profession ~~which that~~ any professional corporation is authorized to practice;

(2) the trustee of a trust ~~which that~~ is a qualified trust under ~~subsection (a) of~~ section 401(a) of the federal internal revenue code, as in effect on January 1, 2004, or of a contribution plan ~~which that~~ is a qualified employee stock ownership plan under ~~subsection (a) of~~ section 409A(a) of the federal internal revenue code, as in effect on January 1, 2004; ~~or~~

(3) the trustee of a revocable living trust established by a natural person who is licensed, registered or certified to practice the type of profession ~~which that~~ any professional corporation is authorized to practice, if the terms of such trust provide that such natural person is the principal beneficiary and sole trustee of such trust and such trust does not continue to hold title to professional corporation stock following such natural person's death for more than a reasonable period of time necessary to dispose of such stock; ~~or~~

(4) a healing arts school clinic authorized to perform professional services in accordance with K.S.A. 65-2877a, and amendments thereto.

Sec. 11. K.S.A. 2019 Supp. 17-7668 is hereby amended to read as follows: 17-7668. (a) Unless otherwise specifically prohibited by law, a limited liability company may carry on any lawful business, purpose or activity, whether or not for profit with the exception of the business of granting policies of insurance, or assuming insurance risks or banking as defined in K.S.A. 9-702, and amendments thereto.

(b) A limited liability company shall possess and may exercise all the powers and privileges granted by this act or by any other law or by its operating agreement, together with any powers incidental thereto, including such powers and privileges as are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the limited liability company.

(c) A limited liability company organized and existing under the Kansas revised limited liability company act or otherwise qualified to do business in Kansas may have and exercise all powers ~~which that~~ may be exercised by a Kansas professional association or professional corporation under the professional corporation law of Kansas, including employment of professionals to practice a profession, which shall be limited to the practice of one profession, except as provided in K.S.A. 17-2710, and amendments thereto.

(d) Only a qualified person may be a member of a limited liability company organized to exercise powers of a professional association or professional corporation. No membership may be transferred to another person until there is presented to such limited liability company a certificate by the licensing body, as defined in K.S.A. 74-146, and amendments thereto, stating that the person to whom the transfer is made or the membership issued is duly licensed to render the same type of professional services as that for which the limited liability company was organized.

(e) As used in the section, "qualified person" means:

(1) Any natural person licensed to practice the same type of profession ~~which that~~ any professional association or professional corporation is authorized to practice;

(2) the trustee of a trust ~~which that~~ is a qualified trust under ~~subsection (a) of~~ section 401(a) of the federal internal revenue code of 1986, as in effect; on July 1, 1999, or of a contribution plan ~~which that~~ is a qualified employee stock ownership plan under ~~subsection (a) of~~ section 409A(a) of the federal internal revenue code of 1986, as in effect; on July 1, 1999;

(3) the trustee of a revocable living trust established by a natural person who is licensed to practice the type of profession ~~which that~~ any professional association or professional corporation is authorized to practice, if the terms of such trust provide that such natural person is the principal beneficiary and sole trustee of such trust and such trust does not continue to hold title to membership in the limited liability company following such natural person's death for more than a reasonable period of time necessary to dispose of such membership;

(4) a Kansas professional corporation or foreign professional corporation in which at least one member or shareholder is authorized by a licensing body, as defined in K.S.A. 74-146, and amendments thereto, to render in this state a professional service permitted by the articles of organization; ~~or~~

(5) a general partnership or limited liability company, if all partners or members thereof are authorized to render the professional services permitted by the articles of organization of the limited liability company formed pursuant to this section and in which at least one partner or member is authorized by a licensing authority of this state to render in this state the professional services permitted by the articles of organization of the limited liability company; or

(6) a healing arts school clinic authorized to perform professional services in accordance with K.S.A. 65-2877a, and amendments thereto.

(f) Nothing in this act shall restrict or limit in any manner the authority and duty of any licensing body, as defined in K.S.A. 74-146, and amendments thereto, for the licensing of individual persons rendering a professional service or the practice of the profession ~~which that~~ is within the jurisdiction of the licensing body, notwithstanding that the person is an officer, manager, member or employee of a limited liability company organized to exercise powers of a professional association or professional corporation. Each licensing body may adopt rules and regulations governing the practice of each profession as are necessary to enforce and comply with this act and the law applicable to each profession.

(g) A licensing body, as defined in K.S.A. 74-146, and amendments thereto, the attorney general or district or county attorney may bring an action in the name of the state of Kansas in quo warranto or injunction against a limited liability company engaging in the practice of a profession without complying with the provisions of this act.

(h) Notwithstanding any provision of this act to the contrary, without limiting the general powers enumerated in subsection (b), a limited liability company shall, subject to such standards and restrictions, if any, as are set forth in its operating agreement, have the power and authority to make contracts of guaranty and suretyship and enter into interest rate, basis, currency, hedge or other swap agreements or cap, floor, put, call, option, exchange or collar agreements, derivative agreements, or other agreements similar to any of the foregoing.

(i) Unless otherwise provided in an operating agreement, a limited liability company has the power and authority to grant, hold or exercise a power of attorney, including an irrevocable power of attorney.

Sec. 12. K.S.A. 65-2877a, as amended by section 5 of chapter 52 of the 2019 Session Laws of Kansas, is hereby amended to read as follows: 65-2877a. No provision of law prohibiting practice of the healing arts by a ~~general corporation business organization~~ shall apply to a healing arts school clinic under the supervision of a person

licensed to practice the same branch of the healing arts if such healing arts school is:

- (a) ~~Approved by the board if the healing arts school is;~~
- (b) ~~a non-profit entity under section 501(c)(3) of the internal revenue code of 1986;~~ is; and
- (c) ~~approved by the state board of regents, and as part of its academic requirements provides clinical training to its students under the supervision of persons who are licensed to practice a branch of the healing arts in this state or exempt from such approval under K.S.A. 74-32,164, and amendments thereto.~~

Sec. 13. K.S.A. 72-3220 is hereby amended to read as follows: 72-3220. ~~(a)~~ K.S.A. 72-3220 through 72-3224, and amendments thereto, and section 9, and amendments thereto, shall be known and may be cited as the Kansas challenge to secondary school ~~pupils~~ students act.

~~(b) The provisions of this section shall take effect and be in force from and after July 1, 1993.~~

Sec. 14. K.S.A. 72-3221 is hereby amended to read as follows: 72-3221. ~~(a)~~ The legislature hereby declares that secondary school ~~pupils~~ students should be challenged continuously in order to maintain their interests in the pursuit of education and skills critical to success in the modern world. Therefore, it is the purpose and intention of the Kansas challenge to secondary school ~~pupils~~ students act to provide a means ~~whereby~~ that school districts, in cooperation with institutions of postsecondary education, may provide new and exciting challenges to secondary school ~~pupils~~ students by encouraging ~~them~~ such students to take full advantage of the wealth of postsecondary ~~education~~ educational opportunities available in this state.

~~(b) The provisions of this section shall take effect and be in force from and after July 1, 1993.~~

Sec. 15. K.S.A. 72-3222 is hereby amended to read as follows: 72-3222. As used in the Kansas challenge to secondary school ~~pupils~~ students act:

(a) ~~"Concurrent enrollment pupil"~~ "Student" means a person who: (1) Is enrolled in grades 10, 11 or 12 maintained by a school district, or a gifted child who is enrolled in any of the grades 9 through 12 maintained by a school district; (2) has an individualized plan of study or an individualized education program; (3) has demonstrated the ability to benefit from participation in the regular curricula of eligible postsecondary ~~education~~ educational institutions; (4) has been authorized by the principal of the school attended to apply for enrollment at an eligible postsecondary ~~education~~ educational institution; and (5) is acceptable or has been accepted for enrollment at an eligible postsecondary ~~education~~ educational institution.

(b) "Eligible postsecondary ~~education~~ educational institution" means any state educational institution, community college, municipal university, technical college or accredited independent institution.

(c) "State educational institution" ~~has the meaning ascribed thereto~~ means the same as defined in K.S.A. 76-711, and amendments thereto.

(d) "Community college" means any community college organized and operating under the laws of this state.

(e) "Municipal university" means a municipal university established under the provisions of article 13a of chapter 13 of the Kansas Statutes Annotated, and amendments thereto.

(f) "Accredited independent institution" means ~~an~~ a not-for-profit institution of

postsecondary education the main campus of which is located in Kansas and ~~which that:~~ (1) Is operated independently and not controlled or administered by any state agency or any subdivision of the state; (2) maintains open enrollment; and (3) is accredited by ~~the north central association of colleges and secondary schools accrediting agency based on its requirements as of April 1, 1985~~ a nationally recognized accrediting agency for higher education in the United States.

(g) "Technical college" ~~has the meaning ascribed thereto~~ means the same as defined in K.S.A. 74-32,407, and amendments thereto.

(h) "Gifted child" ~~has the meaning ascribed thereto~~ means the same as defined in K.S.A. 72-3404, and amendments thereto, or in rules and regulations adopted pursuant thereto.

Sec. 16. K.S.A. 72-3223 is hereby amended to read as follows: 72-3223. (a) The board of education of any school district and any eligible postsecondary ~~education~~ educational institution may enter into a cooperative agreement regarding the dual or concurrent enrollment of concurrent enrollment pupils, students in courses of instruction for college credit at the eligible postsecondary ~~education~~ educational institution. The agreement shall include, but need not be limited to, the following:

(1) The academic credit to be granted for course work successfully completed by the ~~pupil~~ student at the institution, which credit shall qualify ~~as college credit and may qualify~~ as both high school and college credit;

(2) the requirement that such course work qualify as credit applicable toward the award of a degree or certificate at the institution;

(3) ~~except as otherwise provided in subsection (b), the requirement that the pupil shall pay to the institution~~ the student shall pay the negotiated amount of tuition and related costs charged by the institution for ~~the student's enrollment of the pupil; and~~

(4) ~~the requirement that the eligible postsecondary educational institution shall notify the student or the student's parent or guardian if the course the student enrolled in at the eligible postsecondary educational institution is not a systemwide transfer course approved by the state board of regents and, as a result, the student may not receive credit for such course if the student transfers to or attends another postsecondary educational institution.~~

(b) ~~The provisions of this section shall take effect and be in force from and after July 1, 1993.~~ The board of education of a school district, in its discretion, may pay all or a portion of the negotiated amount of tuition and related costs, including fees, books, materials and equipment, charged by an eligible postsecondary educational institution for a student's enrollment in such institution. As part of any agreement entered into pursuant to this section, the board of education of a school district shall not be required to pay any amount of tuition and required fees that are waived for an eligible foster child pursuant to the foster child educational assistance act, K.S.A. 75-53,111 et seq., and amendments thereto, except that the board, in its discretion, may pay any related costs that are not waived pursuant to such act, including fees, books, materials and equipment, charged by an eligible postsecondary educational institution for the student's enrollment in such institution. Any such payment shall be paid directly to the eligible postsecondary educational institution and shall be credited to such student's account.

Sec. 17. K.S.A. 72-3224 is hereby amended to read as follows: 72-3224. (a) ~~No school district shall be responsible for the payment of tuition charged to concurrent enrollment pupils by eligible education institutions or for the provision of transportation~~

for such pupils Except as otherwise provided in K.S.A. 72-3223(b), and amendments thereto, each student dually or concurrently enrolled in an eligible postsecondary educational institution pursuant to K.S.A. 72-3220 et seq., and amendments thereto, shall be responsible for the payment of the negotiated tuition and related costs, including fees, books, materials and equipment, charged by such institution for the student's enrollment.

(b) The board of education of a school district, in its discretion, may provide for the transportation of a student to or from any eligible postsecondary education educational institution.

(b) Each concurrent enrollment pupil shall be responsible for payment of tuition for enrollment at an eligible postsecondary education institution and for payment of the costs of books and equipment and any other costs of enrollment.

(c) Each concurrent enrollment pupil student dually or concurrently enrolled in an eligible postsecondary educational institution pursuant to K.S.A. 72-3220 et seq., and amendments thereto, who satisfactorily completes course work at an eligible postsecondary education such institution shall be granted appropriate credit toward fulfillment of the requirements for graduation from high school unless such credit is denied by the school district in which the pupil is enrolled on the basis that high school credit is inappropriate for such course work.

(d) The provisions of this section shall take effect and be in force from and after July 1, 1993 In order to remain eligible for participation in the program, a student shall remain in good standing at the eligible postsecondary educational institution or shall show satisfactory progress as determined by the school district.

(e) The provisions of the Kansas challenge to secondary school students act shall not apply to any enrollment in career technical education courses or programs pursuant to K.S.A. 72-3810 et seq., and amendments thereto, or the career technical education incentive program established pursuant to K.S.A. 72-3819, and amendments thereto.

Sec. 18. K.S.A. 2019 Supp. 72-5179 is hereby amended to read as follows: 72-5179. (a) The state board of education shall provide the ACT college entrance exam and the three ACT workkeys assessments that are required to earn a national career readiness certificate to each student enrolled in grades 11 and 12, and the pre-ACT college entrance exam to each student enrolled in grade nine. No student shall be required to pay any fees or costs to take any such exam or assessments. The state board shall not be required to provide more than one exam and three assessments for each student. The state board of education may enter into any contracts that are necessary to promote statewide cost savings to administer such exams and assessments.

(b) On or before the first day of the regular legislative session in 2021, and each year thereafter, the state board of education shall prepare and submit a report to the senate standing committee on education and the house standing committee on education that includes aggregate exam and assessment data for all students who were provided the exams and assessments pursuant to this section.

(c) As used in this section, "student" means any person who is regularly enrolled in any public or accredited nonpublic school located in Kansas.

Sec. 19. K.S.A. 75-53,112 is hereby amended to read as follows: 75-53,112. As used in the Kansas foster child educational assistance act:

(a) "Kansas educational institution" means and includes any community college, the municipal university, state educational institution, the institute of technology at

Washburn university or technical college.

(b) "Eligible foster child" means anyone who:

(1) (A) ~~(i)~~ Is in the custody of the secretary and in a foster care placement on the date such child attained 18 years of age; ~~(B)~~ ~~(ii)~~ has been released from the custody of the secretary prior to attaining 18 years of age, after having graduated from a high school or fulfilled the requirements for a general educational development (GED) certificate while in foster care placement and the custody of the secretary; ~~(C)~~ ~~(iii)~~ is adopted from a foster care placement on or after such child's 16th birthday; or ~~(D)~~ ~~(iv)~~ left a foster care placement subject to a guardianship under chapter 38 or 59 of the Kansas Statutes Annotated, and amendments thereto, on or after such child's 16th birthday; or

(B) is a student as defined under the Kansas challenge to secondary school students act, K.S.A. 72-3220 et seq., and amendments thereto, and was in the custody of the secretary and in foster care placement at any time such child was enrolled in grades nine through 12 at a school of a school district; and

(2) enrolls in a Kansas educational institution ~~on or after July 1, 2006.~~

(c) "Kansas foster child educational assistance program" or "program" means the program established pursuant to the provisions of the Kansas foster child educational assistance act, which shall provide for: (1) Undergraduate enrollment of eligible foster children pursuant to subsection (b)(1)(A) through the semester the eligible foster child attains 23 years of age; or (2) undergraduate enrollment of eligible foster children pursuant to subsection (b)(1)(B) through the Kansas challenge to secondary schools act, K.S.A. 72-3220 et seq., and amendments thereto.

(d) "Educational program" means a program ~~which that~~ is offered and maintained by a Kansas educational institution and leads to the award of a certificate, diploma or degree upon satisfactory completion of course work requirements.

(e) "Secretary" means the secretary for children and families.

Sec. 20. K.S.A. 65-2877a, as amended by section 5 of chapter 52 of the 2019 Session Laws of Kansas, 72-3220, 72-3221, 72-3222, 72-3223, 72-3224 and 75-53,112 and K.S.A. 2019 Supp. 17-2707, 17-7668 and 72-5179 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "ACT"; in line 2, by striking all before the period and inserting "concerning education; creating the Kansas promise scholarship act; requiring a Kansas foster care children annual academic report card; authorizing the state board of regents on behalf of Kansas state university to sell certain real property in Saline county; authorizing school districts to pay tuition and fees for concurrent and dual enrollment of students; requiring tuition waiver for dual or concurrently enrolled foster students; authorizing the practice of the healing arts by healing arts school clinics; providing ACT college entrance exams and workkeys assessments to nonpublic school students; amending K.S.A. 65-2877a, as amended by section 5 of chapter 52 of the 2019 Session Laws of Kansas, 72-3220, 72-3221, 72-3222, 72-3223, 72-3224 and 75-53,112 and K.S.A. 2019 Supp. 17-2707, 17-7668 and 72-5179 and repealing the existing sections";

And your committee on conference recommends the adoption of this report.

MOLLY BAUMGARDNER

LARRY ALLEY

DINAH SYKES

Conferees on part of Senate

SEAN TARWATER

KEN CORBET

STAN FROWNFEELER

Conferees on part of House

On motion of Rep. Tarwater, the conference committee report on **HB 2510** was adopted.

On roll call, the vote was: Yeas 110; Nays 3; Present but not voting: 0; Absent or not voting: 11.

Yeas: Alcala, Amyx, Arnberger, Baker, Ballard, Barker, Bergquist, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Clayton, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Gartner, Hawkins, Helgerson, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Houser, Howard, Huebert, Humphries, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lusk, Lynn, Mason, Neighbor, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, S., Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Stogsdill, Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: Awerkamp, Jacobs, Samsel.

Present but not voting: None.

Absent or not voting: Bishop, Finney, Frownfelter, Helmer, Horn, Kuether, Mastroni, Moore, Murnan, Phillips, Ruiz, L..

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **HB 2246** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 10 through 34;

By striking all on pages 2 through 15;

On page 16, by striking all in lines 1 through 23; following line 23, by inserting:

"New Section 1. (a) A reciprocal may convert to a Kansas mutual insurance company in accordance with the terms of a conversion plan filed with and approved by the commissioner.

(b) The commissioner may establish reasonable requirements and procedures for the submission and approval of a conversion plan required by subsection (a).

(c) No conversion plan shall be approved under this section unless such conversion

plan includes:

(1) A provision for converting the existing subscriber interests in the reciprocal into policyholder interests in the resulting Kansas mutual insurance company so that each policyholder's interest in the mutual insurance company shall be fairly proportionate to such subscriber's interest in the reciprocal;

(2) a provision amending the existing subscriber's agreement to articles of incorporation that complies with the provisions of K.S.A. 40-1202, 40-1206 and 40-1215, and amendments thereto;

(3) a copy of the proposed articles of incorporation;

(4) proof of the approval or adoption of the conversion plan by not less than $\frac{2}{3}$ of the subscriber interests entitled to vote, represented either in person or by proxy, at a duly called regular or special meeting of subscribers of the reciprocal at which a quorum, as determined by the subscriber's agreement or other chartering documents of the reciprocal, is present, or, in the absence of any quorum requirement, 10% of outstanding subscribers;

(5) a transition plan for the change of governance of the reciprocal from an attorney-in-fact to a board of directors and officers that shall be governed by article 12 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto; and

(6) any other information required by the commissioner.

(d) The commissioner shall approve the conversion plan if the commissioner finds that the proposed conversion will not:

(1) Be detrimental to the interests of subscribers of the reciprocal;

(2) be detrimental to the interests of the state of Kansas; and

(3) render the insurer incapable of fulfilling the insurer's contractual obligations.

(e) Upon approval of a conversion plan under this section, the commissioner shall issue a new or amended certificate of authority, which shall be deemed to be the final act of conversion at which time the reciprocal shall concurrently become a mutual insurance company. The mutual insurance company shall be deemed to be a continuation of the reciprocal and deemed to have been organized at the time the converted reciprocal was organized.

(f) Each mutual insurance company created pursuant to this section shall comply with all provisions of article 12, article 40 and such other articles of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, that are otherwise applicable to mutual insurance companies.

(g) As used in this section:

(1) "Conversion plan" means a document detailing the process and requirements that a reciprocal shall undertake and satisfy to convert from a reciprocal company to a mutual insurance company.

(2) "Mutual insurance company" means a mutual insurance company that is organized under the provisions of K.S.A. 40-1201, and amendments thereto, except that the provisions of K.S.A. 40-1201(a), and amendments thereto, shall not apply.

(3) "Reciprocal" has the same meaning as set forth in K.S.A. 40-1623, and amendments thereto.

Sec. 2. K.S.A. 2019 Supp. 40-246c is hereby amended to read as follows: 40-246c. (a) On March 1 of each year, each licensed agent shall collect and pay to the commissioner a tax of 6% on the total gross premiums charged, less any return premiums, for surplus lines insurance transacted by the licensee pursuant to the license

for insureds whose home state is this state.

(b) The tax on any portion of the premium unearned at termination of insurance, if any, having been credited by the state to the licensee shall be returned to the policyholder directly by the surplus lines licensee or through the producing broker. The surplus lines licensee is prohibited from rebating any part of the tax for any reason.

(c) The individual responsible for filing the statement shall be the agent who signs the policy or the agent of record with the company. The commissioner of insurance ~~shall collect~~ may assess a penalty up to double the amount of tax herein provided prescribed in subsection (a) from any licensee or other ~~responsible~~ individual responsible for filing the statement as herein described in this subsection who ~~shall fail, refuse or neglect~~ fails, refuses or neglects to transmit the required affidavit or statement or ~~shall fail~~ fails to pay the tax imposed by this section; to the commissioner within the period specified.

Sec. 3. K.S.A. 2019 Supp. 40-2c01 is hereby amended to read as follows: 40-2c01. As used in this act:

(a) "Adjusted RBC report" means an RBC report ~~which that~~ has been adjusted by the commissioner in accordance with K.S.A. 40-2c04, and amendments thereto.

(b) "Corrective order" means an order issued by the commissioner specifying corrective actions ~~which that~~ the commissioner has determined are required to address an RBC level event.

(c) "Domestic insurer" means any insurance company or risk retention group ~~which that~~ is licensed and organized in this state.

(d) "Foreign insurer" means any insurance company or risk retention group not domiciled in this state ~~which that~~ is licensed or registered to do business in this state pursuant to article 41 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or K.S.A. 40-209, and amendments thereto.

(e) "NAIC" means the national association of insurance commissioners.

(f) "Life and health insurer" means any insurance company licensed under article 4 or 5 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or a licensed property and casualty insurer writing only accident and health insurance.

(g) "Property and casualty insurer" means any insurance company licensed under articles 9, 10, 11, 12, 12a, 15 or 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, but shall not include monoline mortgage guaranty insurers, financial guaranty insurers and title insurers.

(h) "Negative trend" means, with respect to a life and health insurer, a negative trend over a period of time, as determined in accordance with the "trend test calculation" included in the RBC instructions defined in subsection (j).

(i) "RBC" means risk-based capital.

(j) "RBC instructions" means the risk-based capital instructions promulgated by the NAIC, ~~which that~~ are in effect on December 31, ~~2018~~ 2019, or any later version promulgated by the NAIC as may be adopted by the commissioner under K.S.A. 2019 Supp. 40-2c29, and amendments thereto.

(k) "RBC level" means an insurer's company action level RBC, regulatory action level RBC, authorized control level RBC, or mandatory control level RBC where:

(1) "Company action level RBC" means, with respect to any insurer, the product of 2.0 and its authorized control level RBC;

(2) "regulatory action level RBC" means the product of 1.5 and its authorized

control level RBC;

(3) "authorized control level RBC" means the number determined under the risk-based capital formula in accordance with the RBC instructions; and

(4) "mandatory control level RBC" means the product of 0.70 and the authorized control level RBC.

(l) "RBC plan" means a comprehensive financial plan containing the elements specified in K.S.A. 40-2c06, and amendments thereto. If the commissioner rejects the RBC plan, and it is revised by the insurer, with or without the commissioner's recommendation, the plan shall be called the "revised RBC plan."

(m) "RBC report" means the report required by K.S.A. 40-2c02, and amendments thereto.

(n) "Total adjusted capital" means the sum of:

(1) An insurer's capital and surplus or surplus only if a mutual insurer; and

(2) such other items, if any, as the RBC instructions may provide.

(o) "Commissioner" means the commissioner of insurance.

Sec. 4. K.S.A. 2019 Supp. 40-1621 is hereby amended to read as follows: 40-1621. Within 15 days of the date of the commissioner's approval or denial of ~~the a~~ conversion plan submitted in accordance with K.S.A. 40-1620, and amendments thereto, or section 1, and amendments thereto, the insurance company or reciprocal shall have the right to request a hearing by filing a written request with the commissioner. The commissioner shall conduct the hearing in accordance with the provisions of the Kansas administrative procedure act within 30 days after such request is filed. Any action of the commissioner pursuant to this section is subject to review in accordance with the provisions of the Kansas judicial review act.

Sec. 5. K.S.A. 40-1622 is hereby amended to read as follows: 40-1622. The provisions of K.S.A. 40-1620 ~~and 40-1621, and 40-1623, 40-1624, 40-1625, 40-1626, 40-1627, 40-1628, 40-1629 and through~~ 40-1630, and amendments thereto, and section 1, and amendments thereto, shall be a part of and supplemental to article 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 6. K.S.A. 40-2227 is hereby amended to read as follows: 40-2227. As used in this act, unless the context requires otherwise:

(a) "Long-term care insurance" means any insurance policy primarily advertised, marketed, offered or designed to provide coverage ~~for not less than 12 consecutive months~~ for each covered person on an expense incurred, indemnity, prepaid, or other basis, for one or more necessary or diagnostic, preventive, therapeutic, rehabilitative, maintenance, custodial, residential or personal care services, provided in a setting other than an acute care unit of a hospital. ~~Such term~~ "Long-term care insurance" includes group and individual policies or riders whether issued by insurers, fraternal benefit societies, nonprofit medical and hospital service corporations, prepaid health plans, health maintenance organizations, or any similar organization. "Long-term care insurance" shall not include any insurance policy ~~which that~~ is offered primarily to provide basic medicare supplement coverage, basic hospital expense coverage, basic medical-surgical expense coverage, hospital confinement indemnity coverage, major medical expense coverage, disability income protection coverage, accident-only coverage, specified disease or specified accident coverage, or limited benefit health coverage, but the inclusion or attachment of long-term care insurance coverage to one of the foregoing products shall not exempt it from the requirements of this act.

(b) "Applicant" means:

(1) In the case of an individual long-term care insurance policy, the person who seeks to contract for such benefits; and

(2) in the case of a group long-term care insurance policy, the proposed certificateholder.

(c) "Certificate" means any certificate issued under a group long-term care insurance policy, ~~which policy that~~ has been delivered or issued for delivery in this state.

(d) "Commissioner" means the ~~insurance commissioner of this state~~ commissioner of insurance.

(e) "Group long-term care insurance" means a long-term care insurance policy delivered or issued for delivery in this state and issued to a group as defined in K.S.A. 40-2209, and amendments thereto. No group long-term care insurance coverage may be offered to a resident of this state under a group policy issued in another state to a group defined in K.S.A. 40-2209, and amendments thereto, unless this state, or another state having statutory and regulatory long-term care insurance requirements substantially similar to those adopted in this state, has made a determination that such requirements have been met.

(f) "Policy" means, except as otherwise provided in subsection (e) ~~of this section~~, any individual or group policy, contract, subscriber agreement, rider or endorsement delivered or issued for delivery in this state by an insurer, fraternal benefit society, nonprofit medical and hospital service corporation, prepaid health plan, health maintenance organization or any similar organization.

Sec. 7. K.S.A. 75-6301 is hereby amended to read as follows: 75-6301. (a) There is hereby established under the jurisdiction of the commissioner of insurance a division to be known as the office of the securities commissioner of Kansas. The office shall be administered by the securities commissioner of Kansas who shall be in the unclassified service under the Kansas civil service act. The securities commissioner shall be appointed by the commissioner of insurance, and be subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. The securities commissioner shall have special training and qualifications for such position and, shall receive such compensation as may be fixed by the commissioner of insurance. The commissioner of insurance may remove the securities commissioner for official misconduct and shall serve at the pleasure of the commissioner of insurance. Except as provided by ~~subsection (b) and~~ K.S.A. 46-2601, and amendments thereto, no person appointed as securities commissioner shall exercise any power, duty or function as securities commissioner until confirmed by the senate.

~~(b) (1) The insurance commissioner shall appoint a person as securities commissioner no later than September 1, 2017, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto, to serve an initial term ending on January 14, 2019. Upon the expiration of the initial term under this section, and upon the expiration of each term thereafter, the commissioner of insurance shall appoint a person as securities commissioner, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto, to serve a four-year term running concurrently with the term of such commissioner of insurance as provided by K.S.A. 40-106, and amendments thereto. Upon occurrence of a vacancy in the office of securities commissioner, the commissioner of insurance shall appoint a successor. If the~~

~~vacancy occurs before the expiration of a term of office, the appointment shall be for the unexpired term and shall be subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto.~~

(2) The securities commissioner shall devote full time to the performance of the duties of the office of the securities commissioner.

(c) The securities commissioner may appoint directors and other employees within the office of the securities commissioner as determined necessary by the securities commissioner to effectively carry out the mission of the office. All directors appointed after the effective date of this act shall be in the unclassified service under the Kansas civil service act, shall have special training and qualifications for such positions, shall serve at the pleasure of the securities commissioner and shall receive compensation fixed by the securities commissioner and approved by the commissioner of insurance.

(d) Nothing in subsection (c) shall affect the classified status of any person employed in the office of the securities commissioner on the day immediately preceding the effective date of this act. The provisions of this subsection shall not be construed to limit the powers of the securities commissioner pursuant to K.S.A. 75-2948, and amendments thereto.

(e) The office of the securities commissioner of Kansas shall cooperate with the insurance department to consolidate administrative functions and cross-appoint such employees as deemed necessary to provide efficiency. The commissioner of insurance and the securities commissioner are hereby authorized to enter into agreements and adopt rules and regulations as necessary to administer the provisions of this subsection.

New Sec. 8. (a) There is hereby established in the state treasury the cancer research and public information trust fund, to be administered by the university of Kansas medical center. All moneys credited to the fund shall be used to enhance research at the university of Kansas cancer center in the areas of laboratory, clinical and population-based research; and to recruit and retain cancer researchers and clinicians to conduct cancer research, education and outreach programs for Kansans. All expenditures from the cancer research and public information trust fund shall be approved by the director of the university of Kansas cancer center or the director's designee.

(b) On July 1, 2021, and on July 1 of each year thereafter, the director of accounts and reports shall transfer \$10,000,000 from the state general fund to the cancer research and public information trust fund.

(c) On January 1, 2022, and on January 1 of each year thereafter, the director of the university of Kansas cancer center shall submit a report to the legislature detailing the manner that such appropriated moneys are used to enhance cancer research, cancer education and outreach programs.

Sec. 9. K.S.A. 65-6208, as amended by section 1 of 2019 House Bill No. 2168, is hereby amended to read as follows: 65-6208. (a) Subject to the provisions of K.S.A. 65-6209, and amendments thereto, an annual assessment on services is imposed on each hospital provider in an amount ~~equal to~~ not less than 1.83% of each hospital's net inpatient operating revenue and not greater than 3% of each hospital's net inpatient and outpatient operating revenue, as determined by the healthcare access improvement panel in consultation with the department of health and environment, for the hospital's fiscal year three years prior to the assessment year. In the event that a hospital does not have a complete 12-month fiscal year in such third prior fiscal year, the assessment under this section shall be \$200,000 until such date that such hospital has completed the

hospital's first 12-month fiscal year. Upon completing such first ~~twelve-month~~ 12-month fiscal year, such hospital's assessment under this section shall be the amount ~~equal to not less than 1.83% of each hospital's net inpatient operating revenue and not greater than~~ 3% of such hospital's net inpatient and outpatient operating revenue, as determined by the healthcare access improvement panel in consultation with the department of health and environment, for such first completed 12-month fiscal year.

(b) Nothing in this act shall be construed to authorize any home rule unit or other unit of local government to license for revenue or impose a tax or assessment upon hospital providers or a tax or assessment measured by the income or earnings of a hospital provider.

(c) (1) The department of health and environment shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement the amendments made to subsection (a) by section 1 of 2019 House Bill No. 2168 and this act. If the department has submitted such a request pursuant to section 80(1) of chapter 68 of the 2019 Session Laws of Kansas or section 1 of 2019 House Bill No. 2168, then the department may continue such request, or modify such request to conform to the amendments made to subsection (a) by section 1 of 2019 House Bill No. 2168 and this act, to fulfill the requirements of this paragraph.

(2) The secretary of health and environment shall certify to the secretary of state the receipt of such approval and cause notice of such approval to be published in the Kansas register.

(3) The amendments made to subsection (a) by section 1 of 2019 House Bill No. 2168 and this act shall take effect on and after January 1 or July 1 immediately following such publication of such approval.

Sec. 10.

WICHITA STATE UNIVERSITY

(a) In addition to the other purposes for which expenditures may be made by Wichita state university from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2021 as authorized by 2019 Senate Bill No. 66 or other appropriation act of the 2020 regular session of the legislature, expenditures may be made by Wichita state university from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2021 to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project for the construction and equipment of a new school of business building on the innovation campus of Wichita state university: *Provided*, That such capital improvement project is hereby approved for Wichita state university for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That Wichita state university may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *Provided, however*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$25,000,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction of such project, credit enhancement costs and any required reserves for payment of principal

and interest on the bonds: *And provided further*; That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*; That debt service for any such bonds for such capital improvement project shall be financed by appropriations from any appropriate special revenue fund or funds: *And provided further*; That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: *And provided further*; That Wichita state university shall make provisions for the maintenance of the school of business building on the innovation campus.

Sec. 11. K.S.A. 40-1622, 40-2227, 65-6208, as amended by section 1 of 2019 House Bill No. 2168, and 75-6301 and K.S.A. 2019 Supp. 40-246c, 40-2c01 and 40-1621 are hereby repealed.";

Also on page 16, in line 25, by striking "statute book" and inserting "Kansas register";

And by renumbering remaining sections accordingly;

On page 1, in the title, by striking all in lines 1 through 7 and inserting "AN ACT concerning state agencies; relating to the oversight, administration and regulation of certain duties, responsibilities and activities of such state agencies; authorizing the insurance department to approve the conversion plan of a reciprocal to a mutual insurance company; allowing the insurance department flexibility in assessing certain penalties from excess lines; updating the version of risk-based capital instructions adopted by the insurance department; updating the definition of long-term care insurance utilized by the insurance department in the long-term care insurance act; revising the commissioner of insurance's authority concerning the appointment and removal of the securities commissioner; creating the cancer research and public information trust fund for the university of Kansas medical center; authorizing transfers to such fund; changing the rate of the hospital provider assessment subject to approval by the healthcare access improvement panel and imposed by the Kansas department of health and environment; concerning appropriations for the fiscal year ending June 30, 2021, for Wichita state university; granting Wichita state university bonding authority for certain capital improvement projects; amending K.S.A. 40-1622, 40-2227, 65-6208, as amended by section 1 of 2019 House Bill No. 2168, and 75-6301 and K.S.A. 2019 Supp. 40-246c, 40-2c01 and 40-1621 and repealing the existing sections.";

And your committee on conference recommends the adoption of this report.

CAROLYN MCGINN

RICK BILLINGER

TOM HAWK

Conferees on part of Senate

TROY WAYMASTER

KYLE HOFFMAN

KATHY WOLFE MOORE

Conferees on part of House

On motion of Rep. Waymaster, the conference committee report on **HB 2246** was adopted.

On roll call, the vote was: Yeas 112; Nays 2; Present but not voting: 0; Absent or not voting: 10.

Yeas: Alcalá, Amyx, Arnberger, Averkamp, Baker, Ballard, Barker, Bergquist, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Clayton, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Gartner, Hawkins, Helmer, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lusk, Lynn, Mason, Neighbor, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, S., Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Stogsdill, Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, Wheeler, K. Williams, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: Helgerson, Samsel.

Present but not voting: None.

Absent or not voting: Bishop, Finney, Frownfelter, Horn, Kuether, Mastroni, Moore, Murnan, Phillips, Ruiz, L..

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hawkins, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **S Sub for Sub HB 2018**.

MOTION TO CONCUR AND NONCONCUR

On motion of Rep. Delperdang, the House concurred in Senate amendments to **S Sub for Sub HB 2018**, AN ACT concerning telecommunications; relating to the video competition act; video service providers; provision of communications service; definitions; restricting cities and counties from imposing certain regulations and fees; amending K.S.A. 2019 Supp. 12-2022 and 12-2023 and repealing the existing sections.

On roll call, the vote was: Yeas 104; Nays 9; Present but not voting: 0; Absent or not voting: 11.

Yeas: Alcalá, Amyx, Arnberger, Baker, Ballard, Barker, Bergquist, Blex, Burris, Burroughs, Capps, Carlin, Carlson, Carmichael, B. Carpenter, W. Carpenter, Claeys, Clark, Collins, Concannon, Corbet, Cox, Croft, Curtis, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Gartner, Hawkins, Helgerson, Helmer, Henderson, Highland, Hineman, Hodge, Hoffman, Hoheisel, Holscher, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Karleskint, Kelly, Kessinger, Landwehr, Long, Lusk, Lynn, Mason, Newland, Ohaebosim, Orr, Ousley, Owens, Pannbacker, Parker, F. Patton, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rhiley, Ruiz, S., Ryckman, Sawyer, Schreiber, Seiwert, Smith, A., Smith, E., Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Victors, Waggoner, Ward, Warfield, Warren, Wasinger, Waymaster, Weigel, K. Williams, Winn, Wolfe Moore, Woodard.

Nays: Averkamp, Clayton, Highberger, Johnson, Samsel, Stogsdill, Wheeler, Xu, Yeager.

Present but not voting: None.

Absent or not voting: Bishop, Finney, Frownfelter, Horn, Kuether, Mastroni, Moore, Murnan, Neighbor, Phillips, Ruiz, L..

MESSAGE FROM THE SENATE

The Senate adopts the Conference Committee report on **HB 2054**.

CONFERENCE COMMITTEE REPORT

On motion of Rep. Patton to adopt the Conference Committee Report to **S Sub for HB 2054**, Rep. Samsel offered a priority motion to adjourn. Roll call was demanded.

On roll call, the vote was: Yeas 32; Nays 78; Present but not voting: 0; Absent or not voting: 14.

Yeas: Alcalá, Amyx, Ballard, Burroughs, Carlin, Carmichael, Clayton, Curtis, Gartner, Helgerson, Henderson, Highberger, Hodge, Holscher, Lusk, Ohaebosim, Ousley, Parker, Pittman, Probst, Ruiz, S., Samsel, Sawyer, Stogsdill, Ward, Warfield, Weigel, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Nays: Arnberger, Awerkamp, Baker, Bergquist, Blex, Burris, Capps, Carlson, B. Carpenter, W. Carpenter, Claeys, Clark, Collins, Concannon, Corbet, Cox, Croft, Delperdang, Dierks, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, French, Garber, Hawkins, Helmer, Highland, Hoffman, Hoheisel, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lynn, Mason, Newland, Orr, Owens, Pannbacker, F. Patton, Proehl, Rahjes, Ralph, Resman, Rhiley, Ryckman, Schreiber, Seiwert, Smith, A., Smith, E., Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Waggoner, Warren, Wasinger, Waymaster, Wheeler, K. Williams.

Present but not voting: None.

Absent or not voting: Barker, Bishop, Finney, Frownfelter, Hineman, Horn, Kuether, Mastroni, Moore, Murnan, Neighbor, Phillips, Ruiz, L., Victors.

MR. SPEAKER and MADAM PRESIDENT: Your committee on conference on Senate amendments to **S Sub for HB 2054** submits the following report: The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed as Senate Substitute for House Bill No. 2054, as follows:

On page 1, by striking all in lines 9 through 36;

By striking all on pages 2 through 7;

On page 8, by striking all in lines 1 through 7; following line 7, by inserting:

"Section 1.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2020, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Coronavirus relief fund..... No limit

Provided, That, all moneys in the coronavirus relief fund shall be used for the purposes of relief for the effects of coronavirus in the state of Kansas as set forth in such federal grant or receipt: *Provided further*, That, the director of the budget shall submit each request of a state agency for expenditures from the coronavirus relief fund during the fiscal year ending June 30, 2020, to the legislative budget committee: *And provided further*, That, the legislative budget committee shall meet and review each such request of the director of the budget and shall report such committee's recommendation on each such request to the legislative coordinating council: *And provided further*, That, after receiving recommendations from the legislative budget committee, expenditures may be made from the coronavirus relief fund upon an affirmative vote of the legislative coordinating council in accordance with K.S.A. 46-1202, and amendments thereto, except that such disbursements and expenditures may be approved while the legislature is in session: *And provided further*, That, the legislative coordinating council is hereby authorized to approve the disbursement and expenditure of moneys from the coronavirus relief fund for such purposes: *And provided further*, That, upon receipt of such approval by the legislative coordinating council, the director of accounts and reports is hereby authorized to transfer such moneys from the coronavirus relief fund to a newly created special revenue fund of the requesting state agency: *And provided further*, That, there is appropriated for such requesting state agency from the newly created special revenue fund or funds for the fiscal year ending June 30, 2020, all moneys now or hereafter lawfully credited to and available in such fund or funds.

(b) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the coronavirus relief fund - federal fund (252-00-3753) of the governor's department to the coronavirus relief fund of the legislative coordinating council. On the effective date of this act, all liabilities of the coronavirus relief fund - federal fund are hereby transferred to and imposed on the coronavirus relief fund and the coronavirus relief fund - federal fund is hereby abolished.

Sec. 2.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2021, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Coronavirus relief fund No limit

Provided, That, all moneys in the coronavirus relief fund shall be used for the purposes of relief for the effects of coronavirus in the state of Kansas as set forth in such federal grant or receipt: *Provided further*, That, the director of the budget shall submit each request of a state agency for expenditures from the coronavirus relief fund during the fiscal year ending June 30, 2021, to the legislative budget committee: *And provided further*, That, the legislative budget committee shall meet and review each such request of the director of the budget and shall report such committee's recommendation on each such request to the legislative coordinating council: *And*

provided further, That, after receiving recommendations from the legislative budget committee, expenditures may be made from the coronavirus relief fund upon an affirmative vote of the legislative coordinating council in accordance with K.S.A. 46-1202, and amendments thereto, except that such disbursements and expenditures may be approved while the legislature is in session: *And provided further*, That, the legislative coordinating council is hereby authorized to approve the disbursement and expenditure of moneys from the coronavirus relief fund for such purposes: *And provided further*, That, upon receipt of such approval by the legislative coordinating council, the director of accounts and reports is hereby authorized to transfer such moneys from the coronavirus relief fund to a newly created special revenue fund of the requesting state agency: *And provided further*, That, there is appropriated for such requesting state agency from the newly created special revenue fund or funds for the fiscal year ending June 30, 2021, all moneys now or hereafter lawfully credited to and available in such fund or funds.

Sec. 3. (a) On the effective date of this act, notwithstanding the provisions of section 189 of chapter 68 of the 2019 Session Laws of Kansas for fiscal year 2020 and section 179 of 2020 Senate Bill No. 66 for fiscal year 2021, for fiscal year 2020 and fiscal year 2021 concerning each federal grant or other federal receipt that is received by a state agency named in chapter 68 of the 2019 Session Laws of Kansas or 2020 Senate Bill No. 66, that concerns moneys from the federal government for aid to the state of Kansas for coronavirus relief as appropriated in section 601(c)(2)(A) of the federal CARES act, public law 116-136, and that is not otherwise appropriated to that state agency for fiscal year 2020 or 2021 by chapter 68 of the 2019 Session Laws of Kansas, 2020 Senate Bill No. 66 or this appropriation act of the 2020 regular session of the legislature, such federal grant or other federal receipt is hereby appropriated for fiscal year 2020 and fiscal year 2021 to the coronavirus relief fund of the legislative coordinating council for the purpose set forth in such federal grant or receipt.

(b) On the effective date of this act, the provisions of section 189 of chapter 68 of the 2019 Session Laws of Kansas for fiscal year 2020 and section 179 of 2020 Senate Bill No. 66 for fiscal year 2021, for fiscal year 2020 and fiscal year 2021 concerning federal grants or other federal receipt that are received by a state agency named in chapter 68 of the 2019 Session Laws of Kansas or 2020 Senate Bill No. 66 and that concerns moneys from the federal government for aid to the state of Kansas for coronavirus relief as appropriated in section 601(c)(2)(A) of the federal CARES act, public law 116-136, shall be null and void and shall have no force and effect.

Sec. 4. (a) On the effective date of this act, notwithstanding the provisions of section 189 of chapter 68 of the 2019 Session Laws of Kansas for fiscal year 2020 and section 179 of 2020 Senate Bill No. 66 for fiscal year 2021, in addition to the other purposes for which expenditures may be made by any state agency that is named in chapter 68 of the 2019 Session Laws of Kansas or 2020 Senate Bill No. 66, expenditures may be made by such state agency from moneys appropriated for fiscal year 2020 and fiscal year 2021 by chapter 68 of the 2019 Session Laws of Kansas, 2020 Senate Bill No. 66, or this appropriation act of the 2020 regular session of the legislature, to apply for and receive federal grants during fiscal year 2020 and fiscal year 2021, which federal grants are hereby authorized to be applied for and received by such state agencies that concerns moneys from the federal government for aid to the

state of Kansas for coronavirus relief as appropriated in the federal CARES act, public law 116-136, the coronavirus preparedness and response supplemental appropriations act, 2020, public law 116-123, the federal families first coronavirus response act, public law 116-127, the federal paycheck protection program and health care enhancement act, public law 116-139, and any other federal law that appropriates moneys to the state for aid for coronavirus relief, subject to the following provisions: *Provided*, That, no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt that has not been previously appropriated or reappropriated, until the legislative coordinating council has authorized the state agency to make expenditures therefrom: *Provided further*, That, the director of the budget shall submit each such federal grant expenditure request of a state agency concerning coronavirus relief during fiscal year 2020 and fiscal year 2021, to the legislative budget committee: *And provided further*, That, the legislative budget committee shall meet and review each such federal grant expenditure request of the director of the budget and shall report such committee's recommendation on each such federal grant expenditure request to the legislative coordinating council: *And provided further*, That, after receiving recommendations from the legislative budget committee, such requests may be approved upon an affirmative vote of the legislative coordinating council in accordance with K.S.A. 46-1202, and amendments thereto, except that such requests may be approved while the legislature is in session: *And provided further*, That the legislative coordinating council is hereby authorized to approve the requests for such purposes: *And provided further*, That, upon receipt of such approval by the legislative coordinating council, the requesting state agency is authorized to expend all approved moneys now or hereafter lawfully credited to and available in such fund or funds during fiscal year 2020 and fiscal year 2021.

(b) On the effective date of this act, the provisions of section 189 of chapter 68 of the 2019 Session Laws of Kansas for fiscal year 2020 and section 179 of 2020 Senate Bill No. 66, for fiscal year 2020 and fiscal year 2021 concerning federal grants or other federal receipt that are received by a state agency named in chapter 68 of the 2019 Session Laws of Kansas or 2020 Senate Bill No. 66 and that concerns moneys from the federal government for aid to the state of Kansas for coronavirus relief as appropriated in the federal CARES act, public law 116-136, the coronavirus preparedness and response supplemental appropriations act, 2020, public law 116-123, the federal families first coronavirus response act, public law 116-127, the federal paycheck protection program and health care enhancement act, public law 116-139, and any other federal law that appropriates moneys to the state for aid for coronavirus relief, shall be null and void and shall have no force and effect.

New Sec. 5. (a) The state of disaster emergency that was declared by the governor pursuant to K.S.A. 48-924, and amendments thereto, by proclamation on March 12, 2020, which was ratified and continued in force and effect through May 1, 2020, by 2020 House Concurrent Resolution No. 5025, adopted by the house of representatives with the senate concurring therein on March 19, 2020, and declared by proclamation on April 30, 2020, which was extended and continued in existence by the state finance council on May 13, 2020, for an additional 12 days through May 26, 2020, for all 105 counties of Kansas, as a result of the COVID-19 health emergency, is hereby ratified and continued in existence from March 12, 2020, through May 31, 2020.

(b) The governor shall not proclaim any new state of disaster emergency related to

the COVID-19 health emergency during 2020, unless the governor makes specific application to the state finance council and an affirmative vote of at least six of the legislative members of the council approve such action by the governor.

(c) Notwithstanding section 6, and amendments thereto, if the governor proclaims a new state of disaster emergency as described in subsection (b), the governor shall make specific application to the state finance council and an affirmative vote of at least six of the legislative members of the council shall be required to order the closure or cessation of any business or commercial activity.

New Sec. 6. (a) During any state of disaster emergency declared pursuant to K.S.A. 48-924, and amendments thereto, the governor may order the closure or cessation of any business or commercial activity, whether for-profit or not-for-profit, in response to any or all conditions necessitating the declared state of disaster emergency for 15 days. Only upon specific application by the governor to the state finance council and an affirmative vote of at least six of the legislative members of the council, the closure or cessation of business or commercial activity may be extended for specified periods not to exceed 30 days each.

(b) Any order issued that violates or exceeds the restrictions provided in subsection (a) shall not have the force and effect of law during the period of a state of disaster emergency declared under K.S.A. 48-924(b), and amendments thereto, and any such order shall be null and void.

(c) The provisions of this section shall expire on January 26, 2021.

New Sec. 7. Sections 7 through 13, and amendments thereto, shall be known and may be cited as the COVID-19 response and reopening for business liability protection act.

New Sec. 8. As used in the COVID-19 response and reopening for business liability protection act, unless the context otherwise requires:

(a) "COVID-19" means the novel coronavirus identified as SARSCoV-2, the disease caused by the novel coronavirus SARS-CoV-2 and conditions associated with such disease.

(b) "COVID-19 claim" means any claim for damages, losses, indemnification, contribution or other relief arising out of or based on exposure or potential exposure to COVID-19. "COVID-19 claim" includes a claim made by or on behalf of any person who has been exposed or potentially exposed to COVID-19, or any representative, spouse, parent, child or other relative of such person, for injury, including mental or emotional injury, death or loss to person, risk of disease or other injury, costs of medical monitoring or surveillance, or other losses allegedly caused by the person's exposure or potential exposure to COVID-19.

(c) "COVID-19 public health emergency" means the state of disaster emergency declared for the state of Kansas on March 12, 2020, any subsequent orders or amendments to such orders and any subsequent disaster emergency declared for the state of Kansas regarding the COVID-19 pandemic.

(d) "Disinfecting or cleaning supplies" includes, but is not limited to, hand sanitizers, disinfectants, sprays and wipes.

(e) "Healthcare provider" means a person or entity that is licensed, registered, certified or otherwise authorized by the state of Kansas to provide healthcare services in this state, including a hospice certified to participate in the medicare program under 42 C.F.R. § 418 et seq. and any entity licensed under chapter 39 of the Kansas Statutes

Annotated, and amendments thereto.

(f) "Person" means an individual, association, for-profit or not-for-profit business entity, postsecondary educational institution as defined in K.S.A. 74-3201b, and amendments thereto, nonprofit organization, religious organization or charitable organization.

(g) "Personal protective equipment" means coveralls, face shields, gloves, gowns, masks, respirators or other equipment designed to protect the wearer from the spread of infection or illness.

(h) "Product liability claim" means any strict liability, ordinary negligence or implied warranty claim or action brought for harm caused by the manufacture, production, making, construction, fabrication, design, formula, preparation, assembly, installation, testing, warnings, instructions, marketing, packaging, storage or labeling of the relevant product.

(i) "Public health guidance" means written guidance related to COVID-19 issued by the United States centers for disease control and prevention, the occupational safety and health administration of the United States department of labor, the Kansas department of health and environment, the Kansas department for aging and disability services, the Kansas department of labor, another state agency or a municipality.

(j) "Qualified product" means: (1) Personal protective equipment used to protect the wearer from COVID-19 or the spread of COVID-19; (2) medical devices, equipment and supplies used to treat COVID-19, including products that are used or modified for an unapproved use to treat COVID-19 or prevent the spread of COVID-19; (3) medical devices, equipment or supplies utilized outside of the product's normal use to treat COVID-19 or to prevent the spread of COVID-19; (4) medications used to treat COVID-19, including medications prescribed or dispensed for offlabel use to attempt to combat COVID-19; (5) tests used to diagnose or determine immunity to COVID-19; (6) disinfecting or cleaning supplies; (7) clinical laboratory services certified under the federal clinical laboratory improvement amendments in section 353 of the public health service act, 42 U.S.C. § 263a; and (8) components of qualified products.

New Sec. 9. (a) Notwithstanding any other provision of law, except as provided in subsection (c), a healthcare provider is immune from civil liability for damages, administrative fines or penalties for acts, omissions, healthcare decisions or the rendering of or the failure to render healthcare services, including services that are altered, delayed or withheld, as a direct response to any state of disaster emergency declared pursuant to K.S.A. 48-924, and amendments thereto, related to the COVID-19 public health emergency.

(b) The provisions of this section shall apply to any claims for damages or liability that arise out of or relate to acts, omissions or healthcare decisions occurring during any state of disaster emergency declared pursuant to K.S.A. 48-924, and amendments thereto, related to the COVID-19 public health emergency.

(c) (1) The provisions of this section shall not apply to civil liability when it is established that the act, omission or healthcare decision constituted gross negligence or willful, wanton or reckless conduct.

(2) The provisions of this section shall not apply to healthcare services not related to COVID-19 that have not been altered, delayed or withheld as a direct response to the COVID-19 public health emergency.

New Sec. 10. Notwithstanding any other provision of law, a person, or an agent of

such person, conducting business in this state shall not be held liable for a COVID-19 claim if the act or omission alleged to violate a duty of care was mandated or specifically and affirmatively permitted by a federal or state statute, regulation or executive order passed or issued in response to the COVID-19 pandemic and applicable to the activity at issue at the time of the alleged exposure.

New Sec. 11. Notwithstanding any other provision of law, a person who designs, manufactures, labels, sells, distributes, provides or donates a qualified product in response to the COVID-19 public health emergency shall not be liable in a civil action alleging a product liability claim arising out of such qualified product if:

(a) The product was manufactured, labeled, sold, distributed, provided or donated at the specific request of or in response to a written order or other directive finding a public need for a qualified product issued by the governor, the adjutant general or the division of emergency management; and

(b) the damages are not occasioned by willful, wanton or reckless disregard of a known, substantial and unnecessary risk that the product would cause serious injury to others.

New Sec. 12. Nothing in the COVID-19 response and reopening for business liability protection act:

(a) Creates, recognizes or ratifies a claim or cause of action of any kind;

(b) eliminates a required element of any claim;

(c) affects workers' compensation law, including the exclusive application of such law; or

(d) amends, repeals, alters or affects any other immunity or limitation of liability.

New Sec. 13. The provisions of sections 10 through 12, and amendments thereto, shall apply retroactively to any cause of action accruing on or after March 12, 2020.

New Sec. 14. All notarial acts performed by a notary public of this state while the requirements that a person must appear before a notary public are suspended pursuant to an executive order or other state law, shall be valid as if the individual had appeared before the notary public, notwithstanding any failure of any individual to appear personally before the notary public, if the notarial act meets all requirements prescribed by such executive order or other state law and all requirements prescribed by law that do not relate to appearance before the notary public.

New Sec. 15. (a) During a state of disaster emergency declared under K.S.A. 48-924, and amendments thereto, related to the COVID-19 public health emergency, each county health officer shall work with first responder agencies operating in the county to establish a method to share information indicating where a person testing positive for or under quarantine or isolation due to COVID-19 resides or can be expected to be present. Such information shall:

(1) Include the address for such person and, as applicable, the duration of the quarantine, isolation or expected recovery period for such person as determined by the county health officer; and

(2) only be used for the purpose of allowing the first responders to be alert to the need for utilizing appropriate personal protective equipment during the response activity.

(b) The information described in subsection (a) shall be provided to the 911 call center for the area serving the address provided. The 911 call center shall disseminate the information only to first responders responding to the listed address.

(c) All information provided or disseminated under this section shall not be a public record and shall not be subject to the Kansas open records act, K.S.A. 45-215 et seq., and amendments thereto. The provisions of this subsection shall expire on July 1, 2025, unless the legislature reviews and reenacts this provision pursuant to K.S.A. 45-229, and amendments thereto.

New Sec. 16. The Kansas department for aging and disability services shall, for all entities required to be licensed pursuant to article 9 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto:

(a) Promptly, and in no case later than 30 days following the effective date of this act, make or cause to be made infection control inspections;

(b) provide the necessary personal protective equipment, sanitizing supplies and testing kits appropriate to the needs of each facility on an ongoing basis, based upon:

- (1) The current number of residents;
- (2) the current number of full-time and part-time staff members;
- (3) the number of residents and staff who have tested positive for COVID-19 in the last 14 days;
- (4) the ability to separate COVID-19 residents from non-COVID-19 residents; and
- (5) any other factors deemed relevant by the secretary; and

(c) ensure that infection prevention and control best practices and recommendations based upon guidance from the United States centers for disease control and prevention and the Kansas department of health and environment are adopted and made available publicly.

New Sec. 17. (a) A physician may issue a prescription for or order the administration of medication, including a controlled substance, for a patient without conducting an in-person examination of such patient.

(b) A physician under quarantine, including self-imposed quarantine, may practice telemedicine.

(c) (1) A physician holding a license issued by the applicable licensing agency of another state may practice telemedicine to treat patients located in the state of Kansas, if such out-of-state physician:

(A) Advises the state board of healing arts of such practice in writing and in a manner determined by the state board of healing arts; and

(B) holds an unrestricted license to practice medicine and surgery in the other state and is not the subject of any investigation or disciplinary action by the applicable licensing agency.

(2) The state board of healing arts may extend the provisions of this subsection to other healthcare professionals licensed and regulated by the board as deemed necessary by the board to address the impacts of COVID-19 and consistent with ensuring patient safety.

(d) A physician practicing telemedicine in accordance with this section shall conduct an appropriate assessment and evaluation of the patient's current condition and document the appropriate medical indication for any prescription issued.

(e) Nothing in this section shall supersede or otherwise affect the provisions of K.S.A. 65-4a10, and amendments thereto, or K.S.A. 2019 Supp. 40-2,215, and amendments thereto.

(f) As used in this section:

- (1) "Physician" means a person licensed to practice medicine and surgery.

(2) "Telemedicine" means the delivery of healthcare services by a healthcare provider while the patient is at a different physical location.

(g) This section shall expire on January 26, 2021.

New Sec. 18. (a) (1) A hospital may admit patients in excess of such hospital's number of licensed beds or inconsistent with the licensed classification of such hospital's beds to the extent that such hospital determines is necessary to treat COVID-19 patients and to separate COVID-19 patients and non-COVID-19 patients.

(2) A hospital admitting patients in such manner shall notify the department of health and environment as soon as practicable but shall not be required to receive prior authorization to admit patients in such manner.

(b) (1) A hospital may utilize non-hospital space, including off-campus space, to perform COVID-19 testing, triage, quarantine or patient care to the extent that such hospital determines is necessary to treat COVID-19 patients and to separate COVID-19 patients and non-COVID-19 patients.

(2) The department of health and environment may impose reasonable safety requirements on such use of non-hospital space to maximize the availability of patient care.

(3) Non-hospital space used in such manner shall be deemed to meet the requirements of K.S.A. 65-431(d), and amendments thereto.

(4) A hospital utilizing non-hospital space in such manner shall notify the department of health and environment as soon as practicable but shall not be required to receive prior authorization to utilize non-hospital space in such manner.

(c) A medical care facility may permit healthcare providers authorized to provide healthcare services in the state of Kansas to provide healthcare services at such medical care facility without becoming a member of the medical care facility's medical staff.

(d) As used in this section, "hospital" and "medical care facility" mean the same as defined in K.S.A. 65-425, and amendments thereto.

(e) This section shall expire 120 calendar days after the expiration or termination of the state of disaster emergency proclamation issued by the governor in response to the COVID-19 public health emergency, or any extension thereof.

New Sec. 19. (a) Notwithstanding any statute to the contrary, the state board of healing arts may grant a temporary emergency license to practice any profession licensed, certified, registered or regulated by the board to an applicant with qualifications the board deems sufficient to protect public safety and welfare within the scope of professional practice authorized by the temporary emergency license for the purpose of preparing for, responding to or mitigating any effect of COVID-19.

(b) This section shall expire on January 26, 2021.

New Sec. 20. (a) Notwithstanding the provisions of K.S.A. 65-28a08 and 65-28a09, and amendments thereto, or any other statute to the contrary, a licensed physician assistant may provide healthcare services appropriate to such physician assistant's education, training and experience within a designated healthcare facility at which the physician assistant is employed or contracted to work as necessary to support the facility's response to the COVID-19 pandemic without a written agreement with a supervising physician. Such physician assistant shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such physician assistant's lack of written agreement with a supervising physician.

(b) Notwithstanding the provisions of K.S.A. 65-1130, and amendments thereto, or

any other statute to the contrary, a licensed advanced practice registered nurse may provide healthcare services appropriate to such advanced practice registered nurse's education, training and experience within a designated healthcare facility at which the advanced practice registered nurse is employed or contracted to work as necessary to support the facility's response to the COVID-19 pandemic without direction and supervision from a responsible physician. Such advanced practice registered nurse shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such advanced practice registered nurse's lack of direction and supervision from a responsible physician.

(c) Notwithstanding the provisions of K.S.A. 65-1158, and amendments thereto, or any other statute to the contrary, a registered nurse anesthetist may provide healthcare services appropriate to such registered nurse anesthetist's education, training and experience within a designated healthcare facility at which the registered nurse anesthetist is employed or contracted to work as necessary to support the facility's response to the COVID-19 pandemic without direction and supervision from a physician. Such registered nurse anesthetist shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such registered nurse anesthetist's lack of direction and supervision from a physician.

(d) Notwithstanding the provisions of K.S.A. 65-1113, and amendments thereto, or any other statute to the contrary:

(1) A registered professional nurse or licensed practical nurse may order the collection of throat or nasopharyngeal swab specimens from individuals suspected of being infected by COVID-19 for purposes of testing; and

(2) a licensed practical nurse may provide healthcare services appropriate to such licensed practical nurse's education, training and experience within a designated healthcare facility at which the licensed practical nurse is employed or contracted to work as necessary to support the facility's response to the COVID-19 pandemic without direction from a registered professional nurse. Such licensed practical nurse shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such licensed practical nurse's lack of supervision from a registered professional nurse.

(e) Notwithstanding the provisions of K.S.A. 65-1626a, and amendments thereto, or any other statute to the contrary, a licensed pharmacist may provide care for routine health maintenance, chronic disease states or similar conditions appropriate to such pharmacist's education, training and experience within a designated healthcare facility at which the pharmacist is employed or contracted to work as necessary to support the facility's response to the COVID-19 pandemic without a collaborative practice agreement with a physician. Such pharmacist shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such pharmacist's lack of collaborative practice agreement with a physician.

(f) Notwithstanding the provisions of K.S.A. 65-1115, 65-1116 and 65-1117, and amendments thereto, or any other statute to the contrary, a registered professional nurse or licensed practical nurse who holds a license that is exempt or inactive or whose license has lapsed within the past five years from the effective date of this act may provide healthcare services appropriate to the nurse's education, training and experience. Such registered professional nurse or licensed practical nurse shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out

of such nurse's exempt, inactive or lapsed license.

(g) Notwithstanding any other provision of law to the contrary, a designated healthcare facility may, as necessary to support the facility's response to the COVID-19 pandemic:

(1) Allow a student who is enrolled in a program to become a licensed, registered or certified healthcare professional to volunteer for work within such facility in roles that are appropriate to such student's education, training and experience;

(2) allow a licensed, registered or certified healthcare professional or emergency medical personnel who is serving in the military in any duty status to volunteer or work within such facility in roles that are appropriate to such military service member's education, training and experience; and

(3) allow a medical student, physical therapist or emergency medical services provider to volunteer or work within such facility as a respiratory therapist extender under the supervision of a physician, respiratory therapist or advanced practice registered nurse. Such respiratory therapist extender may assist respiratory therapists and other healthcare professionals in the operation of ventilators and related devices and may provide other healthcare services appropriate to such respiratory therapist extender's education, training and experience, as determined by the facility in consultation with such facility's medical leadership.

(h) Notwithstanding any statute to the contrary, a healthcare professional licensed and in good standing in another state may practice such profession in the state of Kansas. For purposes of this subsection, a license that has been suspended or revoked or a licensee that is subject to pending license-related disciplinary action shall not be considered to be in good standing. Any license that is subject to limitation in another state shall be subject to the same limitation in the state of Kansas. Such healthcare professional shall not be liable in any criminal prosecution, civil action or administrative proceeding arising out of such healthcare professional's lack of licensure in the state of Kansas.

(i) Notwithstanding any statute to the contrary, a designated healthcare facility may use a qualified volunteer or qualified personnel affiliated with any other designated healthcare facility as if such volunteer or personnel was affiliated with the facility using such volunteer or personnel, subject to any terms and conditions established by the secretary of health and environment.

(j) Notwithstanding any statute to the contrary, a healthcare professional may be licensed, certified or registered or may have such license, certification or registration reinstated within five years of lapse or renewed by the applicable licensing agency of the state of Kansas without satisfying the following conditions of licensure, certification or registration:

(1) An examination, if such examination's administration has been canceled while the state of disaster emergency proclamation issued by the governor in response to the COVID-19 pandemic is in effect;

(2) fingerprinting;

(3) continuing education; and

(4) payment of a fee.

(k) Notwithstanding any statute to the contrary, a professional certification in basic life support, advanced cardiac life support or first aid shall remain valid if such professional certification is due to expire or be canceled while the state of disaster

emergency proclamation issued by the governor in response to the COVID-19 pandemic is in effect.

(l) Notwithstanding any statute to the contrary, fingerprinting of any individual shall not be required as a condition of licensure and certification for any hospital, as defined in K.S.A. 65-425, and amendments thereto, adult care home, county medical care facility or psychiatric hospital.

(m) As used in this section:

(1) "Appropriate to such professional's education, training and experience," or words of like effect, shall be determined by the designated healthcare facility in consultation with such facility's medical leadership; and

(2) "designated healthcare facility" means:

(A) Entities listed in K.S.A. 40-3401(f), and amendments thereto;

(B) state-owned surgical centers;

(C) state-operated hospitals and veterans facilities;

(D) entities used as surge capacity by any entity described in subparagraphs (A) through (C);

(E) adult care homes; and

(F) any other location specifically designated by the governor or the secretary of health and environment to exclusively treat patients for COVID-19.

(n) The provisions of this section shall expire on January 26, 2021.

Sec. 21. Section 1 of 2020 House Substitute for Senate Bill No. 102 is hereby amended to read as follows: Sec. 1. (a) Notwithstanding any other provisions of law, during any state of disaster emergency pursuant to K.S.A. 48-924, and amendments thereto, the chief justice of the Kansas supreme court may issue an order to extend or suspend any deadlines or time limitations established by statute when the chief justice determines such action is necessary to secure the health and safety of court users, staff and judicial officers.

(b) Notwithstanding any other provisions of law, ~~during any state of disaster emergency pursuant to K.S.A. 48-924, and amendments thereto,~~ the chief justice of the Kansas supreme court may issue an order to authorize the use of two-way electronic audio-visual communication in any court proceeding when the chief justice determines such action is necessary to secure the health and safety of court users, staff and judicial officers.

(c) Any order issued pursuant to ~~this section~~ subsection (a) may remain in effect for up to 150 days after a state of disaster emergency is terminated pursuant to K.S.A. 48-924, and amendments thereto. Any order in violation of this section shall be void.

(d) The provisions of this section shall expire on March 31, 2021.

Sec. 22. K.S.A. 2019 Supp. 19-101a is hereby amended to read as follows: 19-101a.(a) The board of county commissioners may transact all county business and perform all powers of local legislation and administration it deems appropriate, subject only to the following limitations, restrictions or prohibitions:

(1) Counties shall be subject to all acts of the legislature which apply uniformly to all counties.

(2) Counties may not affect the courts located therein.

(3) Counties shall be subject to acts of the legislature prescribing limits of indebtedness.

(4) In the exercise of powers of local legislation and administration authorized

under provisions of this section, the home rule power conferred on cities to determine their local affairs and government shall not be superseded or impaired without the consent of the governing body of each city within a county which may be affected.

(5) Counties may not legislate on social welfare administered under state law enacted pursuant to or in conformity with public law No. 271 – 74th congress, or amendments thereof.

(6) Counties shall be subject to all acts of the legislature concerning elections, election commissioners and officers and their duties as such officers and the election of county officers.

(7) Counties shall be subject to the limitations and prohibitions imposed under K.S.A. 12-187 through 12-195, and amendments thereto, prescribing limitations upon the levy of retailers' sales taxes by counties.

(8) Counties may not exempt from or effect changes in statutes made nonuniform in application solely by reason of authorizing exceptions for counties having adopted a charter for county government.

(9) No county may levy ad valorem taxes under the authority of this section upon real property located within any redevelopment project area established under the authority of K.S.A. 12-1772, and amendments thereto, unless the resolution authorizing the same specifically authorized a portion of the proceeds of such levy to be used to pay the principal of and interest upon bonds issued by a city under the authority of K.S.A. 12-1774, and amendments thereto.

(10) Counties shall have no power under this section to exempt from any statute authorizing or requiring the levy of taxes and providing substitute and additional provisions on the same subject, unless the resolution authorizing the same specifically provides for a portion of the proceeds of such levy to be used to pay a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto.

(11) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-4601 through 19-4625, and amendments thereto.

(12) Except as otherwise specifically authorized by K.S.A. 12-1,101 through 12-1,109, and amendments thereto, counties may not levy and collect taxes on incomes from whatever source derived.

(13) Counties may not exempt from or effect changes in K.S.A. 19-430, and amendments thereto.

(14) Counties may not exempt from or effect changes in K.S.A. 19-302, 19-502b, 19-503, 19-805 or 19-1202, and amendments thereto.

(15) Counties may not exempt from or effect changes in K.S.A. 19-15,139, 19-15,140 and 19-15,141, and amendments thereto.

(16) Counties may not exempt from or effect changes in the provisions of K.S.A. 12-1223, 12-1225, 12-1225a, 12-1225b, 12-1225c and 12-1226, and amendments thereto, or the provisions of K.S.A. 12-1260 through 12-1270 and 12-1276, and amendments thereto.

(17) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-211, and amendments thereto.

(18) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-4001 through 19-4015, and amendments thereto.

(19) Counties may not regulate the production or drilling of any oil or gas well in

any manner which would result in the duplication of regulation by the state corporation commission and the Kansas department of health and environment pursuant to chapter 55 and chapter 65 of the Kansas Statutes Annotated, and amendments thereto, and any rules and regulations adopted pursuant thereto. Counties may not require any license or permit for the drilling or production of oil and gas wells. Counties may not impose any fee or charge for the drilling or production of any oil or gas well.

(20) Counties may not exempt from or effect changes in K.S.A. 79-41a04, and amendments thereto.

(21) Counties may not exempt from or effect changes in K.S.A. 79-1611, and amendments thereto.

(22) Counties may not exempt from or effect changes in K.S.A. 79-1494, and amendments thereto.

(23) Counties may not exempt from or effect changes in K.S.A. 19-202(b), and amendments thereto.

(24) Counties may not exempt from or effect changes in K.S.A. 19-204(b), and amendments thereto.

(25) Counties may not levy or impose an excise, severance or any other tax in the nature of an excise tax upon the physical severance and production of any mineral or other material from the earth or water.

(26) Counties may not exempt from or effect changes in K.S.A. 79-2017 or 79-2101, and amendments thereto.

(27) Counties may not exempt from or effect changes in K.S.A. 2-3302, 2-3305, 2-3307, 2-3318, 17-5904, 17-5908, 47-1219, 65-171d, 65-1,178 through 65-1,199, 65-3001 through 65-3028, and amendments thereto.

(28) Counties may not exempt from or effect changes in K.S.A. 80-121, and amendments thereto.

(29) Counties may not exempt from or effect changes in K.S.A. 19-228, and amendments thereto.

(30) Counties may not exempt from or effect changes in the Kansas 911 act.

(31) Counties may not exempt from or effect changes in K.S.A. 2019 Supp. 26-601, and amendments thereto.

(32) (A) Counties may not exempt from or effect changes in the Kansas liquor control act except as provided by paragraph (B).

(B) Counties may adopt resolutions which are not in conflict with the Kansas liquor control act.

(33) (A) Counties may not exempt from or effect changes in the Kansas cereal malt beverage act except as provided by paragraph (B).

(B) Counties may adopt resolutions which are not in conflict with the Kansas cereal malt beverage act.

(34) Counties may not exempt from or effect changes in the Kansas lottery act.

(35) Counties may not exempt from or effect changes in the Kansas expanded lottery act.

(36) Counties may neither exempt from nor effect changes to the eminent domain procedure act.

(37) Any county granted authority pursuant to the provisions of K.S.A. 19-5001 through 19-5005, and amendments thereto, shall be subject to the limitations and prohibitions imposed under K.S.A. 19-5001 through 19-5005, and amendments thereto.

(38) Except as otherwise specifically authorized by K.S.A. 19-5001 through 19-5005, and amendments thereto, counties may not exercise any authority granted pursuant to K.S.A. 19-5001 through 19-5005, and amendments thereto, including the imposition or levy of any retailers' sales tax.

(39) Counties may not exempt from or effect changes in K.S.A. 65-201 and 65-202, and amendments thereto.

(b) Counties shall apply the powers of local legislation granted in subsection (a) by resolution of the board of county commissioners. If no statutory authority exists for such local legislation other than that set forth in subsection (a) and the local legislation proposed under the authority of such subsection is not contrary to any act of the legislature, such local legislation shall become effective upon passage of a resolution of the board and publication in the official county newspaper. If the legislation proposed by the board under authority of subsection (a) is contrary to an act of the legislature which is applicable to the particular county but not uniformly applicable to all counties, such legislation shall become effective by passage of a charter resolution in the manner provided in K.S.A. 19-101b, and amendments thereto.

(c) Any resolution adopted by a county which conflicts with the restrictions in subsection (a) is null and void.

Sec. 23. K.S.A. 2019 Supp. 41-2653 is hereby amended to read as follows: 41-2653. (a) In addition to the rights of a licensee pursuant to provisions of K.S.A. 41-2637, 41-2641 or 41-2642, and amendments thereto, a class A club license, class B club license or drinking establishment license shall allow the licensee to allow legal patrons of the club or drinking establishment to remove from the licensed premises one or more opened containers of alcoholic liquor, subject to the following conditions:

(1) It must be legal for the licensee to sell the alcoholic liquor in its original container;

(2) the alcoholic liquor must be in its original container;

(3) each container of alcoholic liquor must have been purchased by a patron and the alcoholic liquor in each container must have been partially consumed on the licensed premises;

(4) the licensee or the licensee's employee must provide the patron with a dated receipt for the unfinished container or containers of alcoholic liquor; and

(5) before the container of alcoholic liquor is removed from the licensed premises, the licensee or the licensee's employee must securely reseal each container, place the container in a tamper-proof, transparent bag which is sealed in a manner that makes it visibly apparent if the bag is subsequently tampered with or opened.

(b)(1) In addition to the rights of a licensee pursuant to provisions of K.S.A. 41-2637, 41-2641 or 41-2642, and amendments thereto, and the provisions of subsection (a), a class A club license, class B club license or drinking establishment license shall allow the licensee to allow legal patrons of the club or drinking establishment to remove from the licensed premises one or more containers of alcoholic liquor that is not in the original container, subject to the following conditions:

(A) It must be legal for the licensee to sell the alcoholic liquor;

(B) each container of alcoholic liquor must have been purchased by a patron on the licensed premises;

(C) the licensee or the licensee's employee must provide the patron with a dated receipt for the alcoholic liquor; and

(D) before the container of alcoholic liquor is removed from the licensed premises, the licensee or the licensee's employee must place the container in a transparent bag that is sealed in a manner that makes it visibly apparent if the bag is subsequently tampered with or opened.

(2) The provisions of this subsection shall expire on January 26, 2021.

(c) This section shall be part of and supplemental to the club and drinking establishment act.

Sec. 24. K.S.A. 2019 Supp. 44-702 is hereby amended to read as follows: 44-702. As a guide to the interpretation and application of this act, the public policy of this state is declared to be as follows: Economic insecurity, due to unemployment, is a serious menace to health, morals, and welfare of the people of this state. Involuntary unemployment is therefore a subject of general interest and concern ~~which that~~ requires appropriate action by the legislature to prevent its spread and to lighten its burden ~~which that~~ now so often falls with crushing force upon the unemployed worker and such worker's family. The achievement of social security requires protection against this greatest hazard of our economic life. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor-relief assistance. The legislature, therefore, declares that in its considered judgment the public good and the general welfare of the citizens of this state require the enactment of this measure, under the police powers of the state, for the compulsory setting aside of unemployment reserves to be used for the benefit of persons unemployed. The state of Kansas is committed to maintaining and strengthening access to the unemployment compensation system, including through initial and continuing claims. All persons and employers are entitled to a neutral interpretation of the employment security law.

Sec. 25. K.S.A. 2019 Supp. 44-705, as amended by section 2 of 2020 Senate Bill No. 27, is hereby amended to read as follows: 44-705. Except as provided by K.S.A. 44-757, and amendments thereto, an unemployed individual shall be eligible to receive benefits with respect to any week only if the secretary, or a person or persons designated by the secretary, finds that:

(a) The claimant has registered for work at and thereafter continued to report at an employment office in accordance with rules and regulations adopted by the secretary, except that, subject to the provisions of K.S.A. 44-704(a), and amendments thereto, the secretary may adopt rules and regulations that waive or alter either or both of the requirements of this subsection.

(b) The claimant has made a claim for benefits with respect to such week in accordance with rules and regulations adopted by the secretary.

(c) The claimant is able to perform the duties of such claimant's customary occupation or the duties of other occupations that the claimant is reasonably fitted by training or experience, and is available for work, as demonstrated by the claimant's pursuit of the full course of action most reasonably calculated to result in the claimant's reemployment except that, notwithstanding any other provisions of this section, an unemployed claimant otherwise eligible for benefits shall not become ineligible for benefits: (1) Because of the claimant's enrollment in and satisfactory pursuit of approved training, including training approved under section 236(a)(1) of the trade act of 1974; ~~or~~ (2) solely because such individual is seeking only part-time employment if

the individual is available for a number of hours per week that are comparable to the individual's part-time work experience in the base period; or (3) because a claimant is not actively seeking work: (i) During a state of disaster emergency proclaimed by the governor pursuant to K.S.A. 48-924 and 48-925, and amendments thereto; (ii) in response to the spread of the public health emergency of COVID-19; and (iii) the state's temporary waiver of the work search requirement under the employment security law for such claimant is in compliance with the families first coronavirus response act, public law 116-127.

For the purposes of this subsection, an inmate of a custodial or correctional institution shall be deemed to be unavailable for work and not eligible to receive unemployment compensation while incarcerated.

(d) (1) Except as provided further, the claimant has been unemployed for a waiting period of one week or the claimant is unemployed and has satisfied the requirement for a waiting period of one week under the shared work unemployment compensation program as provided in K.S.A. 44-757(k)(4), and amendments thereto, and that period of one week, in either case, occurs within the benefit year that includes the week for which the claimant is claiming benefits. No week shall be counted as a week of unemployment for the purposes of this subsection:

(A) If benefits have been paid for such week;

(B) if the individual fails to meet with the other eligibility requirements of this section; or

(C) if an individual is seeking unemployment benefits under the unemployment compensation law of any other state or of the United States, except that if the appropriate agency of such state or of the United States finally determines that the claimant is not entitled to unemployment benefits under such other law, this subparagraph shall not apply.

(2) (A) The waiting week requirement of paragraph (1) shall not apply to:

(i) New claims by claimants who become unemployed as a result of an employer terminating business operations within this state, declaring bankruptcy or initiating a work force reduction pursuant to public law 100-379, the federal worker adjustment and retraining notification act, 29 U.S.C. §§ 2101 through 2109, as amended; or

(ii) new claims filed on or after April 5, 2020, through December 26, 2020, in accordance with the families first coronavirus response act, public law 116-127 and the federal CARES act, public law 116-136.

(B) The secretary shall adopt rules and regulations to administer the provisions of this paragraph.

(3) If the waiting week requirement of paragraph (1) applies, a claimant shall become eligible to receive compensation for the waiting period of one week, pursuant to paragraph (1), upon completion of three weeks of unemployment consecutive to such waiting period. This paragraph shall not apply to initial claims effective on and after April 1, 2021.

(e) For benefit years established on and after the effective date of this act, the claimant has been paid total wages for insured work in the claimant's base period of not less than 30 times the claimant's weekly benefit amount and has been paid wages in more than one quarter of the claimant's base period, except that the wage credits of an individual earned during the period commencing with the end of a prior base period and ending on the date that such individual filed a valid initial claim shall not be available

for benefit purposes in a subsequent benefit year unless, in addition thereto, such individual has returned to work and subsequently earned wages for insured work in an amount equal to at least eight times the claimant's current weekly benefit amount.

(f) The claimant participates in reemployment services, such as job search assistance services, if the individual has been determined to be likely to exhaust regular benefits and needs reemployment services pursuant to a profiling system established by the secretary, unless the secretary determines that: (1) The individual has completed such services; or (2) there is justifiable cause for the claimant's failure to participate in such services.

(g) The claimant is returning to work after a qualifying injury and has been paid total wages for insured work in the claimant's alternative base period of not less than 30 times the claimant's weekly benefit amount and has been paid wages in more than one quarter of the claimant's alternative base period if:

(1) The claimant has filed for benefits within four weeks of being released to return to work by a licensed and practicing health care provider;

(2) the claimant files for benefits within 24 months of the date the qualifying injury occurred; and

(3) the claimant attempted to return to work with the employer where the qualifying injury occurred, but the individual's regular work or comparable and suitable work was not available.

Sec. 26. K.S.A. 2019 Supp. 44-709 is hereby amended to read as follows: 44-709.

(a) *Filing.* Claims for benefits shall be made in accordance with rules and regulations adopted by the secretary. The secretary shall furnish a copy of such rules and regulations to any individual requesting them. Each employer shall: (1) Post and maintain printed statements furnished by the secretary without cost to the employer in places readily accessible to individuals in the service of the employer; and (2) provide any other notification to individuals in the service of the employer as required by the secretary pursuant to the families first coronavirus response act, public law 116-127.

(b) *Determination.* (1) Except as otherwise provided in this paragraph, a representative designated by the secretary, and hereinafter referred to as an examiner, shall promptly examine the claim and, on the basis of the facts found by the examiner, shall determine whether or not the claim is valid. If the examiner determines that the claim is valid, the examiner shall determine the first day of the benefit year, the weekly benefit amount and the total amount of benefits payable with respect to the benefit year. If the claim is determined to be valid, the examiner shall send a notice to the last employing unit who shall respond within 10 days by providing the examiner all requested information including all information required for a decision under K.S.A. 44-706, and amendments thereto. The information may be submitted by the employing unit in person at an employment office of the secretary or by mail, by telefacsimile machine or by electronic mail. If the required information is not submitted or postmarked within a response time limit of 10 days after the examiner's notice was sent, the employing unit shall be deemed to have waived its standing as a party to the proceedings arising from the claim and shall be barred from protesting any subsequent decisions about the claim by the secretary, a referee, the employment security board of review or any court, except that the employing unit's response time limit may be waived or extended by the examiner or upon appeal, if timely response was impossible due to excusable neglect. In any case in which the payment or denial of benefits will be

determined by the provisions of K.S.A. 44-706(d), and amendments thereto, the examiner shall promptly transmit the claim to a special examiner designated by the secretary to make a determination on the claim after the investigation as the special examiner deems necessary. The parties shall be promptly notified of the special examiner's decision and any party aggrieved by the decision may appeal to the referee as provided in subsection (c). The claimant and the claimant's most recent employing unit shall be promptly notified of the examiner's or special examiner's decision.

(2) The examiner may for good cause reconsider the examiner's decision and shall promptly notify the claimant and the most recent employing unit of the claimant, that the decision of the examiner is to be reconsidered, except that no reconsideration shall be made after the termination of the benefit year.

(3) Notwithstanding the provisions of any other statute, a decision of an examiner or special examiner shall be final unless the claimant or the most recent employing unit of the claimant files an appeal from the decision as provided in subsection (c), except that the time limit for appeal may be waived or extended by the referee or board of review if a timely response was impossible due to excusable neglect. The appeal must be filed within 16 calendar days after the mailing of notice to the last known addresses of the claimant and employing unit or, if notice is not by mail, within 16 calendar days after the delivery of the notice to the parties.

(c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and decision of the examiner or special examiner. The parties shall be duly notified of the referee's decision, together with the reasons for the decision. The decision shall be final, notwithstanding the provisions of any other statute, unless a further appeal to the employment security board of review is filed within 16 calendar days after the mailing of the decision to the parties' last known addresses or, if notice is not by mail, within 16 calendar days after the delivery of the decision, except that the time limit for appeal may be waived or extended by the referee or board of review if a timely response was impossible due to excusable neglect.

(d) *Referees.* The secretary shall appoint, in accordance with K.S.A. 44-714(c), and amendments thereto, one or more referees to hear and decide disputed claims.

(e) *Time, computation and extension.* In computing the period of time for an employing unit response or for appeals under this section from the examiner's or the special examiner's determination or from the referee's decision, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day ~~which that~~ is not a Saturday, Sunday or legal holiday.

(f) *Board of review.* (1) There is hereby created an employment security board of review, hereinafter referred to as the board, consisting of three members. Each member of the board shall be appointed for a term of four years as provided in this subsection. Not more than two members of the board shall belong to the same political party.

(2) When a vacancy on the employment security board of review occurs, the workers compensation and employment security boards nominating committee established under K.S.A. 44-551, and amendments thereto, shall convene and submit a nominee to the governor for appointment to each vacancy on the employment security board of review, subject to confirmation by the senate as provided by K.S.A. 75-4315b,

and amendments thereto. The governor shall either: (A) Accept and submit to the senate for confirmation the person nominated by the nominating committee; or (B) reject the nomination and request the nominating committee to nominate another person for that position. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed to the employment security board of review, whose appointment is subject to confirmation by the senate, shall exercise any power, duty or function as a member until confirmed by the senate.

(3) No member of the employment security board of review shall serve more than two consecutive terms.

(4) Each member of the employment security board shall serve until a successor has been appointed and confirmed. Any vacancy in the membership of the board occurring prior to expiration of a term shall be filled by appointment for the unexpired term in the same manner as provided for original appointment of the member.

(5) Each member of the employment security board of review shall be entitled to receive as compensation for the member's services at the rate of \$15,000 per year, together with the member's travel and other necessary expenses actually incurred in the performance of the member's official duties in accordance with rules and regulations adopted by the secretary. Members' compensation and expenses shall be paid from the employment security administration fund.

(6) The employment security board of review shall organize annually by the election of a chairperson from among its members. The chairperson shall serve in that capacity for a term of one year and until a successor is elected. The board shall meet on the first Monday of each month or on the call of the chairperson or any two members of the board at the place designated. The secretary of labor shall appoint an executive secretary of the board and the executive secretary shall attend the meetings of the board.

(7) The employment security board of review, on its own motion, may affirm, modify or set aside any decision of a referee on the basis of the evidence previously submitted in the case; may direct the taking of additional evidence; or may permit any of the parties to initiate further appeal before it. The board shall permit such further appeal by any of the parties interested in a decision of a referee ~~which~~ that overrules or modifies the decision of an examiner. The board may remove to itself the proceedings on any claim pending before a referee. Any proceedings so removed to the board shall be heard in accordance with the requirements of subsection (c). The board shall promptly notify the interested parties of its findings and decision.

(8) Two members of the employment security board of review shall constitute a quorum and no action of the board shall be valid unless it has the concurrence of at least two members. A vacancy on the board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the board.

(g) *Procedure.* The manner ~~in which~~ that disputed claims are presented, the reports on claims required from the claimant and from employers and the conduct of hearings and appeals shall be in accordance with rules of procedure prescribed by the employment security board of review for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings and decisions in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed. In the performance of its official duties, the board shall have access

to all of the records ~~which that~~ pertain to the disputed claim and are in the custody of the secretary of labor and shall receive the assistance of the secretary upon request.

(h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall be allowed fees and necessary travel expenses at rates fixed by the board. Such fees and expenses shall be deemed a part of the expense of administering this act.

(i) *Review of board action.* Any action of the employment security board of review may not be reconsidered after the mailing of the decision. An action of the board shall become final unless a petition for review in accordance with the Kansas judicial review act is filed within 16 calendar days after the date of the mailing of the decision. If an appeal has not been filed within 16 calendar days of the date of the mailing of the decision, the decision becomes final. No bond shall be required for commencing an action for such review. In addition to those persons having standing pursuant to K.S.A. 77-611, and amendments thereto, the examiner shall have standing to obtain judicial review of an action of such board. The review proceeding, and the questions of law certified, shall be heard in a summary manner and shall be given precedence over all other civil cases except cases arising under the workers compensation act.

(j) Any finding of fact or law, judgment, determination, conclusion or final order made by the employment security board of review or any examiner, special examiner, referee or other person with authority to make findings of fact or law pursuant to the employment security law is not admissible or binding in any separate or subsequent action or proceeding, between a person and a present or previous employer brought before an arbitrator, court or judge of the state or the United States, regardless of whether the prior action was between the same or related parties or involved the same facts.

(k) In any proceeding or hearing conducted under this section, a party to the proceeding or hearing may appear before a referee or the employment security board of review either personally or by means of a designated representative to present evidence and to state the position of the party. Hearings may be conducted in person, by telephone or other means of electronic communication. The hearing shall be conducted by telephone or other means of electronic communication if none of the parties requests an in-person hearing. If only one party requests an in-person hearing, the referee shall have the discretion of requiring all parties to appear in person or allow the party not requesting an in-person hearing to appear by telephone or other means of electronic communication. The notice of hearing shall include notice to the parties of their right to request an in-person hearing and instructions on how to make the request.

Sec. 27. K.S.A. 2019 Supp. 44-710 is hereby amended to read as follows: 44-710. (a) *Payment.* Contributions shall accrue and become payable by each contributing employer for each calendar year ~~in which that~~ the contributing employer is subject to the employment security law with respect to wages paid for employment. Such contributions shall become due and be paid by each contributing employer to the secretary for the employment security fund in accordance with such rules and regulations as the secretary may adopt and shall not be deducted, in whole or in part, from the wages of individuals in such employer's employ. In the payment of any contributions, a fractional part of \$.01 shall be disregarded unless it amounts to \$.005 or more, in which case it shall be increased to \$.01. Should contributions for any calendar quarter be less than \$5, no payment shall be required.

(b) *Rates and base of contributions.* (1) Except as provided in paragraph (2) of this

subsection, each contributing employer shall pay contributions on wages paid by the contributing employer during each calendar year with respect to employment as provided in K.S.A. 44-710a, and amendments thereto. Except that, notwithstanding the federal law requiring the secretary of labor to annually recalculate the contribution rate, for calendar years 2010, 2011, 2012, 2013 and 2014, the secretary shall charge each contributing employer in rate groups 1 through 32 the contribution rate in the 2010 original tax rate computation table, with contributing employers in rate groups 33 through 51 being capped at a 5.4% contribution rate. For calendar year 2021, unemployment tax rates for eligible employers shall be limited to the standard rate schedule in K.S.A. 44-710a, and amendments thereto. Therefore, no additional solvency adjustment shall be applied.

(2) (A) If the congress of the United States either amends or repeals the Wagner-Peyser act, the federal unemployment tax act, the federal social security act, or subtitle C of chapter 23 of the federal internal revenue code of 1986, or any act or acts supplemental to or in lieu thereof, or any part or parts of any such law, or if any such law, or any part or parts thereof, are held invalid with the effect that appropriations of funds by congress and grants thereof to the state of Kansas for the payment of costs of administration of the employment security law are no longer available for such purposes; or (B) if employers in Kansas subject to the payment of tax under the federal unemployment tax act are granted full credit against such tax for contributions or taxes paid to the secretary of labor, then, and in either such case, beginning with the year ~~in which that~~ the unavailability of federal appropriations and grants for such purpose occurs or ~~in which that~~ such change in liability for payment of such federal tax occurs and for each year thereafter, the rate of contributions of each contributing employer shall be equal to the total of 0.5% and the rate of contributions as determined for such contributing employer under K.S.A. 44-710a, and amendments thereto. The amount of contributions ~~which that~~ each contributing employer becomes liable to pay under this paragraph (2) over the amount of contributions ~~which that~~ such contributing employer would be otherwise liable to pay shall be credited to the employment security administration fund to be disbursed and paid out under the same conditions and for the same purposes as other moneys are authorized to be paid from the employment security administration fund, except that, if the secretary determines that as of the first day of January of any year there is an excess in the employment security administration fund over the amount required to be disbursed during such year, an amount equal to such excess as determined by the secretary shall be transferred to the employment security fund.

(c) *Charging of benefit payments.* (1) The secretary shall maintain a separate account for each contributing employer, and shall credit the contributing employer's account with all the contributions paid on the contributing employer's own behalf. Nothing in the employment security law shall be construed to grant any employer or individuals in such employer's service prior claims or rights to the amounts paid by such employer into the employment security fund either on such employer's own behalf or on behalf of such individuals. Benefits paid shall be charged against the accounts of each base period employer in the proportion that the base period wages paid to an eligible individual by each such employer bears to the total wages in the base period. Benefits shall be charged to contributing employers' accounts and rated governmental employers' accounts upon the basis of benefits paid during each twelve-month period ending on the

computation date.

(2) (A) Benefits paid in benefit years established by valid new claims shall not be charged to the account of a contributing employer or rated governmental employer who is a base period employer if the examiner finds that claimant was separated from the claimant's most recent employment with such employer under any of the following conditions: (i) Discharged for misconduct or gross misconduct connected with the individual's work; ~~or~~ (ii) leaving work voluntarily without good cause attributable to the claimant's work or the employer; or (iii) discharged from an employer directly impacted by COVID-19 in accordance with the families first coronavirus response act, public law 116-127.

(B) Where base period wage credits of a contributing employer or rated governmental employer represent part-time employment and the claimant continues in that part-time employment with that employer during the period for which benefits are paid, then that employer's account shall not be charged with any part of the benefits paid if the employer provides the secretary with information as required by rules and regulations. For the purposes of this subsection (c)(2)(B), "part-time employment" means any employment when an individual works less than full-time because the individual's services are not required for the customary, scheduled full-time hours prevailing at the work place or the individual does not customarily work the regularly scheduled full-time hours due to personal choice or circumstances.

(C) No contributing employer or rated governmental employer's account shall be charged with any extended benefits paid in accordance with the employment security law, except for weeks of unemployment beginning after December 31, 1978, all contributing governmental employers and governmental rated employers shall be charged an amount equal to all extended benefits paid.

(D) No contributing employer, rated governmental employer or reimbursing employer's account shall be charged for any additional benefits paid during the period July 1, 2003 through June 30, 2004.

(E) No contributing employer or rated governmental employer's account will be charged for benefits paid a claimant while pursuing an approved training course as defined in ~~subsection (s) of K.S.A. 44-703(s)~~, and amendments thereto.

(F) No contributing employer or rated governmental employer's account shall be charged with respect to the benefits paid to any individual whose base period wages include wages for services not covered by the employment security law prior to January 1, 1978, to the extent that the employment security fund is reimbursed for such benefits pursuant to section 121 of public law 94-566 (90 Stat. 2673).

(G) With respect to weeks of unemployment beginning after December 31, 1977, wages for insured work shall include wages paid for previously uncovered services. For the purposes of this subsection (c)(2)(G), the term "previously uncovered services" means services ~~which that~~ were not covered employment, at any time during the one-year period ending December 31, 1975, except to the extent that assistance under title II of the federal emergency jobs and unemployment assistance act of 1974 was paid on the basis of such services, ~~and which that~~.

(i) Are agricultural labor as defined in ~~subsection (w) of K.S.A. 44-703(w)~~, and amendments thereto, or domestic service as defined in ~~subsection (aa) of K.S.A. 44-703(aa)~~, and amendments thereto;

(ii) are services performed by an employee of this state or a political subdivision

thereof, as provided in ~~subsection (i)(3)(E)~~ of K.S.A. 44-703(i)(3)(E), and amendments thereto; or

(iii) are services performed by an employee of a nonprofit educational institution ~~which that~~ is not an institution of higher education.

(H) No contributing employer or rated governmental employer's account shall be charged with respect to their pro rata share of benefit charges if such charges are of \$100 or less.

(3) An employer's account shall not be relieved of charges relating to a payment that was made erroneously if the secretary determines that:

(A) The erroneous payment was made because the employer, or the agent of the employer, was at fault for failing to respond timely or adequately to a written request from the secretary for information relating to the claim for unemployment compensation; and

(B) the employer or agent has established a pattern of failing to respond timely or adequately to requests for information.

(C) For purposes of this paragraph:

(i) "Erroneous payment" means a payment that but for the failure by the employer or the employer's agent with respect to the claim for unemployment compensation, would not have been made; and

(ii) "pattern of failure" means repeated documented failure on the part of the employer or the agent of the employer to respond, taking into consideration the number of instances of failure in relation to the total volume of requests. An employer or employer's agent failing to respond as described in (c)(3)(A) shall not be determined to have engaged in a "pattern of failure" if the number of such failures during the year prior to such request is fewer than two, or less than 2%, of such requests, whichever is greater.

(D) Determinations of the secretary prohibiting the relief of charges pursuant to this section shall be subject to appeal or protest as other determinations of the agency with respect to the charging of employer accounts.

(E) This paragraph shall apply to erroneous payments established on and after the effective date of this act.

(4) The examiner shall notify any base period employer whose account will be charged with benefits paid following the filing of a valid new claim and a determination by the examiner based on all information relating to the claim contained in the records of the division of employment security. Such notice shall become final and benefits charged to the base period employer's account in accordance with the claim unless within 10 calendar days from the date the notice was sent, the base period employer requests in writing that the examiner reconsider the determination and furnishes any required information in accordance with the secretary's rules and regulations. In a similar manner, a notice of an additional claim followed by the first payment of benefits with respect to the benefit year, filed by an individual during a benefit year after a period in such year during which such individual was employed, shall be given to any base period employer of the individual who has requested such a notice within 10 calendar days from the date the notice of the valid new claim was sent to such base period employer. For purposes of this subsection (c)(3), if the required information is not submitted or postmarked within a response time limit of 10 days after the base period employer notice was sent, the base period employer shall be deemed to have

waived its standing as a party to the proceedings arising from the claim and shall be barred from protesting any subsequent decisions about the claim by the secretary, a referee, the board of review or any court, except that the base period employer's response time limit may be waived or extended by the examiner or upon appeal, if timely response was impossible due to excusable neglect. The examiner shall notify the employer of the reconsidered determination, which shall be subject to appeal, or further reconsideration, in accordance with the provisions of K.S.A. 44-709, and amendments thereto.

(5) *Time, computation and extension.* In computing the period of time for a base period employer response or appeals under this section from the examiner's or the special examiner's determination or from the referee's decision, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day ~~which that~~ is not a Saturday, Sunday or legal holiday.

(d) *Pooled fund.* All contributions and payments in lieu of contributions and benefit cost payments to the employment security fund shall be pooled and available to pay benefits to any individual entitled thereto under the employment security law, regardless of the source of such contributions or payments in lieu of contributions or benefit cost payments.

(e) *Election to become reimbursing employer; payment in lieu of contributions.* (1) Any governmental entity, Indian tribes or tribal units, (subdivisions, subsidiaries or business enterprises wholly owned by such Indian tribes), for which services are performed as described in ~~subsection (i)(3)(E) of~~ K.S.A. 44-703(i)(3)(E), and amendments thereto, or any nonprofit organization or group of nonprofit organizations described in section 501(c)(3) of the federal internal revenue code of 1986 ~~which that~~ is exempt from income tax under section 501(a) of such code, that becomes subject to the employment security law may elect to become a reimbursing employer under this subsection (e)(1) and agree to pay the secretary for the employment security fund an amount equal to the amount of regular benefits and ½ of the extended benefits paid that are attributable to service in the employ of such reimbursing employer, except that each reimbursing governmental employer, Indian tribes or tribal units shall pay an amount equal to the amount of regular benefits and extended benefits paid for weeks of unemployment beginning after December 31, 1978, for governmental employers and December 21, 2000, for Indian tribes or tribal units to individuals for weeks of unemployment ~~which that~~ begin during the effective period of such election.

(A) Any employer identified in this subsection (e)(1) may elect to become a reimbursing employer for a period encompassing not less than four complete calendar years if such employer files with the secretary a written notice of such election within the 30-day period immediately following January 1 of any calendar year or within the 30-day period immediately following the date ~~on which when~~ a determination of subjectivity to the employment security law is issued, whichever occurs later.

(B) Any employer ~~which that~~ makes an election to become a reimbursing employer in accordance with subparagraph (A) ~~of this subsection (e)(1)~~ will continue to be liable for payments in lieu of contributions until such employer files with the secretary a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which such termination shall first be effective.

(C) Any employer identified in this subsection (e)(1) ~~which that~~ has remained a contributing employer and has been paying contributions under the employment security law for a period subsequent to January 1, 1972, may change to a reimbursing employer by filing with the secretary not later than 30 days prior to the beginning of any calendar year a written notice of election to become a reimbursing employer. Such election shall not be terminable by the employer for four complete calendar years.

(D) The secretary may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive but not any earlier than with respect to benefits paid after January 1 of the year such election is received.

(E) The secretary, in accordance with such rules and regulations as the secretary may adopt, shall notify each employer identified in subsection (e)(1) of any determination ~~which that~~ the secretary may make of its status as an employer and of the effective date of any election ~~which that~~ it makes to become a reimbursing employer and of any termination of such election. Such determinations shall be subject to reconsideration, appeal and review in accordance with the provisions of K.S.A. 44-710b, and amendments thereto.

(2) *Reimbursement reports and payments.* Payments in lieu of contributions shall be made in accordance with the provisions of ~~paragraph subparagraph (A) of this subsection (e)(2)~~ by all reimbursing employers except the state of Kansas. Each reimbursing employer shall report total wages paid during each calendar quarter by filing quarterly wage reports with the secretary ~~which that~~ shall be filed by the last day of the month following the close of each calendar quarter. Wage reports are deemed filed as of the date they are placed in the United States mail.

(A) At the end of each calendar quarter, or at the end of any other period as determined by the secretary, the secretary shall bill each reimbursing employer, except the state of Kansas: (i) An amount to be paid ~~which that~~ is equal to the full amount of regular benefits plus $\frac{1}{2}$ of the amount of extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such reimbursing employer; and (ii) for weeks of unemployment beginning after December 31, 1978, each reimbursing governmental employer and December 21, 2000, for Indian tribes or tribal units shall be certified an amount to be paid ~~which that~~ is equal to the full amount of regular benefits and extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such reimbursing governmental employer.

(B) Payment of any bill rendered under ~~paragraph subparagraph (A) of this subsection (e)(2)~~ shall be made not later than 30 days after such bill was mailed to the last known address of the reimbursing employer, or otherwise was delivered to such reimbursing employer, unless there has been an application for review and redetermination in accordance with ~~paragraph subparagraph (D) of this subsection (e)(2)~~.

(C) Payments made by any reimbursing employer under the provisions of this subsection (e)(2) shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of such employer.

(D) The amount due specified in any bill from the secretary shall be conclusive on the reimbursing employer, unless, not later than 15 days after the bill was mailed to the last known address of such employer, or was otherwise delivered to such employer, the

reimbursing employer files an application for redetermination in accordance with K.S.A. 44-710b, and amendments thereto.

(E) Past due payments of amounts certified by the secretary under this section shall be subject to the same interest, penalties and actions required by K.S.A. 44-717, and amendments thereto. (1) If any nonprofit organization or group of nonprofit organizations described in section 501(c)(3) of the federal internal revenue code of 1986 or governmental reimbursing employer is delinquent in making payments of amounts certified by the secretary under this section, the secretary may terminate such employer's election to make payments in lieu of contributions as of the beginning of the next calendar year and such termination shall be effective for such next calendar year and the calendar year thereafter so that the termination is effective for two complete calendar years. (2) Failure of the Indian tribe or tribal unit to make required payments, including assessment of interest and penalty within 90 days of receipt of the bill will cause the Indian tribe to lose the option to make payments in lieu of contributions as described pursuant to paragraph (e)(1) for the following tax year unless payment in full is received before contribution rates for the next tax year are calculated. (3) Any Indian tribe that loses the option to make payments in lieu of contributions due to late payment or nonpayment, as described in paragraph (2), shall have such option reinstated, if after a period of one year, all contributions have been made on time and no contributions, payments in lieu of contributions for benefits paid, penalties or interest remain outstanding.

(F) Failure of the Indian tribe or any tribal unit thereof to make required payments, including assessments of interest and penalties, after all collection activities deemed necessary by the secretary have been exhausted, will cause services performed by such tribe to not be treated as employment for purposes of ~~subsection (i)(3)(E)~~ of K.S.A. 44-703(i)(3)(E), and amendments thereto. If an Indian tribe fails to make payments required under this section, including assessments of interest and penalties, within 90 days of a final notice of delinquency, the secretary shall immediately notify the United States internal revenue service and the United States department of labor. The secretary may determine that any Indian tribe that loses coverage pursuant to this paragraph may have services performed on behalf of such tribe again deemed "employment" if all contributions, payments in lieu of contributions, penalties and interest have been paid.

(G) In the discretion of the secretary, any employer who elects to become liable for payments in lieu of contributions and any nonprofit organization or group of nonprofit organizations described in section 501 (c)(3) of the federal internal revenue code of 1986 or governmental reimbursing employer or Indian tribe or tribal unit who is delinquent in filing reports or in making payments of amounts certified by the secretary under this section shall be required within 60 days after the effective date of such election, in the case of an eligible employer so electing, or after the date of notification to the delinquent employer under this subsection (e)(2)(G), in the case of a delinquent employer, to execute and file with the secretary a surety bond, except that the employer may elect, in lieu of a surety bond, to deposit with the secretary money or securities as approved by the secretary or to purchase and deliver to an escrow agent a certificate of deposit to guarantee payment. The amount of the bond, deposit or escrow agreement required by this subsection (e)(2)(G) shall not exceed 5.4% of the organization's taxable wages paid for employment by the eligible employer during the four calendar quarters immediately preceding the effective date of the election or the date of notification, in

the case of a delinquent employer. If the employer did not pay wages in each of such four calendar quarters, the amount of the bond or deposit shall be as determined by the secretary. Upon the failure of an employer to comply with this subsection (e)(2)(G) within the time limits imposed or to maintain the required bond or deposit, the secretary may terminate the election of such eligible employer or delinquent employer, as the case may be, to make payments in lieu of contributions, and such termination shall be effective for the current and next calendar year.

(H) The state of Kansas shall make reimbursement payments quarterly at a fiscal year rate ~~which that~~ shall be based upon: (i) The available balance in the state's reimbursing account as of December 31 of each calendar year; (ii) the historical unemployment experience of all covered state agencies during prior years; (iii) the estimate of total covered wages to be paid during the ensuing calendar year; (iv) the applicable fiscal year rate of the claims processing and auditing fee under K.S.A. 75-3798, and amendments thereto; and (v) actuarial and other information furnished to the secretary by the secretary of administration. In accordance with K.S.A. 75-3798, and amendments thereto, the claims processing and auditing fees charged to state agencies shall be deducted from the amounts collected for the reimbursement payments under this paragraph (H) prior to making the quarterly reimbursement payments for the state of Kansas. The fiscal year rate shall be expressed as a percentage of covered total wages and shall be the same for all covered state agencies. The fiscal year rate for each fiscal year will be certified in writing by the secretary to the secretary of administration on July 15 of each year and such certified rate shall become effective on the July 1 immediately following the date of certification. A detailed listing of benefit charges applicable to the state's reimbursing account shall be furnished quarterly by the secretary to the secretary of administration and the total amount of charges deducted from previous reimbursing payments made by the state. On January 1 of each year, if it is determined that benefit charges exceed the amount of prior reimbursing payments, an upward adjustment shall be made therefor in the fiscal year rate ~~which will to~~ be certified on the ensuing July 15. If total payments exceed benefit charges, all or part of the excess may be refunded, at the discretion of the secretary, from the fund or retained in the fund as part of the payments ~~which that~~ may be required for the next fiscal year.

(3) *Allocation of benefit costs.* The reimbursing account of each reimbursing employer shall be charged the full amount of regular benefits and ½ of the amount of extended benefits paid except that each reimbursing governmental employer's account shall be charged the full amount of regular benefits and extended benefits paid for weeks of unemployment beginning after December 31, 1978, to individuals whose entire base period wage credits are from such employer. When benefits received by an individual are based upon base period wage credits from more than one employer then the reimbursing employer's or reimbursing governmental employer's account shall be charged in the same ratio as base period wage credits from such employer bear to the individual's total base period wage credits. Notwithstanding any other provision of the employment security law, no reimbursing employer's or reimbursing governmental employer's account shall be charged for payments of extended benefits ~~which that~~ are wholly reimbursed to the state by the federal government. Payments of unemployment compensation that are wholly reimbursed to the reimbursing employer by the federal government shall be charged for the purpose of such reimbursement under the federal CARES act, public law 116-136.

(A) *Proportionate allocation (when fewer than all reimbursing base period employers are liable)*. If benefits paid to an individual are based on wages paid by one or more reimbursing employers and on wages paid by one or more contributing employers or rated governmental employers, the amount of benefits payable by each reimbursing employer shall be an amount ~~which that~~ bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bears to the total base period wages paid to the individual by all of such individual's base period employers.

(B) *Proportionate allocation (when all base period employers are reimbursing employers)*. If benefits paid to an individual are based on wages paid by two or more reimbursing employers, the amount of benefits payable by each such employer shall be an amount ~~which that~~ bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bear to the total base period wages paid to the individual by all of such individual's base period employers.

(4) *Group accounts*. Two or more reimbursing employers may file a joint application to the secretary for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employment of such reimbursing employers. Each such application shall identify and authorize a group representative to act as the group's agent for the purposes of this subsection (e)(4). Upon approval of the application, the secretary shall establish a group account for such employers effective as of the beginning of the calendar quarter in which the secretary receives the application and shall notify the group's representative of the effective date of the account. Such account shall remain in effect for not less than four years and thereafter such account shall remain in effect until terminated at the discretion of the secretary or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in such quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by such member in such quarter bear to the total wages paid during such quarter for service performed in the employ of all members of the group. The secretary shall adopt such rules and regulations as the secretary deems necessary with respect to applications for establishment, maintenance and termination of group accounts that are authorized by this subsection (e)(4), for addition of new members to, and withdrawal of active members from such accounts, and for the determination of the amounts that are payable under this subsection (e)(4) by members of the group and the time and manner of such payments.

Sec. 28. K.S.A. 2019 Supp. 44-757 is hereby amended to read as follows: 44-757. *Shared work unemployment compensation program*. (a) As used in this section:

(1) "Affected unit" means a specified department, shift or other unit of two or more employees that is designated by an employer to participate in a shared work plan.

(2) "Fringe benefit" means health insurance, a retirement benefit received under a pension plan, a paid vacation day, a paid holiday, sick leave, and any other analogous employee benefit that is provided by an employer.

(3) "Fund" has the meaning ascribed thereto by K.S.A. 44-703(k), and amendments thereto.

(4) "Normal weekly hours of work" means the lesser of 40 hours or the average obtained by dividing the total number of hours worked per week during the preceding twelve-week period by the number 12.

(5) "Participating employee" means an employee who works a reduced number of hours under a shared work plan.

(6) "Participating employer" means an employer who has a shared work plan in effect.

(7) "Secretary" means the secretary of labor or the secretary's designee.

(8) "Shared work benefit" means an unemployment compensation benefit that is payable to an individual in an affected unit because the individual works reduced hours under an approved shared work plan.

(9) "Shared work plan" means a program for reducing unemployment under which employees who are members of an affected unit share the work remaining after a reduction in their normal weekly hours of work.

(10) "Shared work unemployment compensation program" means a program designed to reduce unemployment and stabilize the work force by allowing certain employees to collect unemployment compensation benefits if the employees share the work remaining after a reduction in the total number of hours of work and a corresponding reduction in wages.

(b) The secretary shall establish a voluntary shared work unemployment compensation program as provided by this section. The secretary may adopt rules and regulations and establish procedures necessary to administer the shared work unemployment compensation program.

(c) An employer who wishes to participate in the shared work unemployment compensation program must submit a written shared work plan to the secretary for the secretary's approval. As a condition for approval, a participating employer must agree to furnish the secretary with reports relating to the operation of the shared work plan as requested by the secretary. The employer shall monitor and evaluate the operation of the established shared work plan as requested by the secretary and shall report the findings to the secretary.

(d) The secretary may approve a shared work plan if:

(1) The shared work plan applies to and identifies a specific affected unit;

(2) the employees in the affected unit are identified by name and social security number;

(3) the shared work plan reduces the normal weekly hours of work for an employee, including regular part-time employees, in the affected unit by not less than 20% and not more than 40%;

(4) the shared work plan applies to at least 10% of the employees in the affected unit;

(5) the shared work plan describes the manner ~~in which~~ that the participating employer treats the fringe benefits of each employee in the affected unit and the employer certifies that if the employer provides health benefits and retirement benefits under a defined benefit plan, as defined in 26 U.S.C. § 414(j), or contributions under a defined contribution plan, as defined in 26 U.S.C. § 414(i), to any employee whose workweek is reduced under the program that such benefits will continue to be provided to employees participating in the shared work compensation program under the same terms and conditions as though the workweek of such employee had not been reduced

or to the same extent as other employees not participating in the shared work program;

(6) the employer certifies that the implementation of a shared work plan and the resulting reduction in work hours is in lieu of layoffs that would affect at least 10% of the employees in the affected unit and that would result in an equivalent reduction in work hours;

(7) the employer has filed all reports required to be filed under the employment security law for all past and current periods and has paid all contributions, benefit cost payments, or if a reimbursing employer has made all payments in lieu of contributions due for all past and current periods;

(8) (A) a contributing employer must be eligible for a rate computation under K.S.A. 44-710a(a)(2), and amendments thereto, ~~and is not a negative account employer as defined by K.S.A. 44-710a(d), and amendments thereto~~ and the contributing employer, as determined by the secretary, does not adversely impact the state's eligibility under section 2108 of the federal CARES act, public law 116-136; (B) a rated governmental employer must be eligible for a rate computation under K.S.A. 44-710d(g), and amendments thereto;

(9) eligible employees may participate, as appropriate, in training, including without limitation, employer-sponsored training or worker training funded under the workforce investment act of 1998, to enhance job skills if such program has been approved by the state of Kansas;

(10) the employer includes a plan for giving advance notice, where feasible, to an employee whose workweek is to be reduced together with an estimate of the number of layoffs that would have occurred absent the ability to participate in shared work compensation and such other information as the secretary of labor determines is appropriate; and

(11) the terms of the employer's written plan and implementation are consistent with employer obligations under applicable federal and Kansas laws.

(e) If any of the employees who participate in a shared work plan under this section are covered by a collective bargaining agreement, the shared work plan must be approved in writing by the collective bargaining agent.

(f) A shared work plan may not be implemented to subsidize seasonal employers during the off-season.

(g) The secretary shall approve or deny a shared work plan no later than the 30th day after the day the shared work plan is received by the secretary. The secretary shall approve or deny a shared work plan in writing. If the secretary denies a shared work plan, the secretary shall notify the employer of the reasons for the denial.

(h) A shared work plan is effective on the date it is approved by the secretary, except for good cause a shared work plan may be effective at any time within a period of 14 days prior to the date such plan is approved by the secretary. The shared work plan expires on the last day of the 12th full calendar month after the effective date of the shared work plan.

(i) An employer may modify a shared work plan created under this section to meet changed conditions if the modification conforms to the basic provisions of the shared work plan as approved by the secretary. The employer must report the changes made to the shared work plan in writing to the secretary before implementing the changes. If the original shared work plan is substantially modified, the secretary shall reevaluate the shared work plan and may approve the modified shared work plan if it meets the

requirements for approval under subsection (d). The approval of a modified shared work plan does not affect the expiration date originally set for that shared work plan. If substantial modifications cause the shared work plan to fail to meet the requirements for approval, the secretary shall deny approval to the modifications as provided by subsection (g).

(j) Notwithstanding any other provisions of the employment security law, an individual is unemployed and is eligible for shared work benefits in any week in which the individual, as an employee in an affected unit, works for less than the individual's normal weekly hours of work in accordance with an approved shared work plan in effect for that week. The secretary may not deny shared work benefits for any week to an otherwise eligible individual by reason of the application of any provision of the employment security law that relates to availability for work, active search for work or refusal to apply for or accept work with an employer other than the participating employer.

(k) An individual is eligible to receive shared work benefits with respect to any week in which the secretary finds that:

(1) The individual is employed as a member of an affected unit subject to a shared work plan that was approved before the week in question and is in effect for that week;

(2) the individual is able to work and is available for additional hours of work or full-time work with the participating employer;

(3) the individual's normal weekly hours of work have been reduced by at least 20% but not more than 40%, with a corresponding reduction in wages; and

(4) the individual's normal weekly hours of work and wages have been reduced as described in subsection (k)(3) for a waiting period of one week ~~which that~~ occurs within the period the shared work plan is in effect, which period includes the week for which the individual is claiming shared work benefits.

(l) The secretary shall pay an individual who is eligible for shared work benefits under this section a weekly shared work benefit amount equal to the individual's regular weekly benefit amount for a period of total unemployment multiplied by the nearest full percentage of reduction of the individual's hours as set forth in the employer's shared work plan. If the shared benefit amount is not a multiple of \$1, the secretary shall reduce the amount to the next lowest multiple of \$1. All shared work benefits under this section shall be payable from the fund.

(m) An individual may not receive shared work benefits and regular unemployment compensation benefits in an amount that exceeds the maximum total amount of benefits payable to that individual in a benefit year as provided by K.S.A. 44-704(g), and amendments thereto.

(n) An individual who has received all of the shared work benefits and regular unemployment compensation benefits available in a benefit year is an exhaustee under K.S.A. 44-704a and 44-704b, and amendments thereto, and is entitled to receive extended benefits under such statutes if the individual is otherwise eligible under such statutes.

(o) The secretary may terminate a shared work plan for good cause if the secretary determines that the shared work plan is not being executed according to the terms and intent of the shared work unemployment compensation program.

(p) Notwithstanding any other provisions of this section, an individual shall not be eligible to receive shared work benefits for more than 26 calendar weeks during the 12-

month period of the shared work plan, except that two weeks of additional benefits shall be payable to claimants who exhaust regular benefits and any benefits under any other federal or state extended benefits program during the period July 1, 2003 through June 30, 2004. No week shall be counted as a week for which an individual is eligible for shared work benefits for the purposes of this section unless the week occurs within the 12-month period of the shared work plan.

(q) No shared work benefit payment shall be made under any shared work plan or this section for any week ~~which~~ that commences before April 1, 1989.

(r) This section shall be construed as part of the employment security law.

Sec. 29. K.S.A. 48-924 is hereby amended to read as follows: 48-924. (a) The governor shall be responsible for meeting the dangers to the state and people presented by disasters.

(b) (1) Subject to the provisions of section 5, and amendments thereto, the governor, upon finding that a disaster has occurred or that occurrence or the threat thereof is imminent, shall issue a proclamation declaring a state of disaster emergency.

(2) In addition to or instead of the proclamation authorized by K.S.A. 47-611, and amendments thereto, the governor, upon a finding or when notified pursuant to K.S.A. 47-611, and amendments thereto, that a quarantine or other regulations are necessary to prevent the spread among domestic animals of any contagious or infectious disease, may issue a proclamation declaring a state of disaster emergency. In addition to or instead of any actions pursuant to the provisions of K.S.A. 2-2114, and amendments thereto, the governor, upon a finding or when notified pursuant to K.S.A. 2-2112 et seq., and amendments thereto, that a quarantine or other regulations are necessary to prevent the spread among plants, raw agricultural commodities, animal feed or processed food of any contagious or infectious disease, may issue a proclamation declaring a state of disaster emergency.

(3) The state of disaster emergency so declared shall continue until the governor finds that the threat or danger of disaster has passed, or the disaster has been dealt with to the extent that emergency conditions no longer exist. Upon making such findings the governor shall terminate the state of disaster emergency by proclamation, but except as provided in paragraph (4), no state of disaster emergency may continue for longer than 15 days unless ratified by concurrent resolution of the legislature, with the single exception that upon specific application by the governor to the state finance council and an affirmative vote of a majority of the legislative members thereof, a state of disaster emergency may be extended once for a specified period not to exceed 30 days beyond such 15-day period.

(4) If the state of disaster emergency is proclaimed pursuant to paragraph (2), the governor shall terminate the state of disaster emergency by proclamation within 15 days, unless ratified by concurrent resolution of the legislature, except that when the legislature is not in session and upon specific application by the governor to the state finance council and an affirmative vote of a majority of the legislative members thereof, a state of disaster emergency may be extended for a specified period not to exceed 30 days. The state finance council may authorize additional extensions of the state of disaster emergency by a unanimous vote of the legislative members thereof for specified periods not to exceed 30 days each. Such state of disaster emergency shall be terminated on the 15th day of the next regular legislative session following the initial date of the state of disaster emergency unless ratified by concurrent resolution of the

legislature.

(5) The state of disaster emergency described in section 5, and amendments thereto, shall terminate on May 31, 2020, as provided in section 5, and amendments thereto, except that when the legislature is not in session and upon specific application by the governor to the state finance council and an affirmative vote of at least six of the legislative members of the council, this state of disaster emergency may be extended for specified periods not to exceed 30 days each. No such extension granted by the state finance council shall continue past January 26, 2021.

(6) At any time, the legislature by concurrent resolution may require the governor to terminate a state of disaster emergency. Upon such action by the legislature, the governor shall issue a proclamation terminating the state of disaster emergency.

~~(6)~~(7) Any proclamation declaring or terminating a state of disaster emergency which is issued under this subsection shall indicate the nature of the disaster, the area or areas threatened or affected by the disaster and the conditions which have brought about, or which make possible the termination of, the state of disaster emergency. Each such proclamation shall be disseminated promptly by means calculated to bring its contents to the attention of the general public and, unless the circumstances attendant upon the disaster prevent the same, each such proclamation shall be filed promptly with the division of emergency management, the office of the secretary of state and each city clerk or county clerk, as the case may be, in the area to which such proclamation applies.

(c) In the event of the absence of the governor from the state or the existence of any constitutional disability of the governor, an officer specified in K.S.A. 48-1204, and amendments thereto, in the order of succession provided by that section, may issue a proclamation declaring a state of disaster emergency in the manner provided in and subject to the provisions of subsection (a). During a state of disaster emergency declared pursuant to this subsection, such officer may exercise the powers conferred upon the governor by K.S.A. 48-925, and amendments thereto. If a preceding officer in the order of succession becomes able and available, the authority of the officer exercising such powers shall terminate and such powers shall be conferred upon the preceding officer. Upon the return of the governor to the state or the removal of any constitutional disability of the governor, the authority of an officer to exercise the powers conferred by this section shall terminate immediately and the governor shall resume the full powers of the office. Any state of disaster emergency and any actions taken by an officer under this subsection shall continue and shall have full force and effect as authorized by law unless modified or terminated by the governor in the manner prescribed by law.

(d) A proclamation declaring a state of disaster emergency shall activate the disaster response and recovery aspects of the state disaster emergency plan and of any local and interjurisdictional disaster plans applicable to the political subdivisions or areas affected by the proclamation. Such proclamation shall be authority for the deployment and use of any forces to which the plan or plans apply and for use or distribution of any supplies, equipment, materials or facilities assembled, stockpiled or arranged to be made available pursuant to this act during a disaster.

(e) The governor, when advised pursuant to K.S.A. 74-2608, and amendments thereto, that conditions indicative of drought exist, shall be authorized to declare by proclamation that a state of drought exists. This declaration of a state of drought can be

for specific areas or communities, can be statewide or for specific water sources and shall effect immediate implementation of drought contingency plans contained in state approved conservation plans, including those for state facilities.

Sec. 30. K.S.A. 2019 Supp. 48-925 is hereby amended to read as follows: 48-925.

(a) During any state of disaster emergency declared under K.S.A. 48-924, and amendments thereto, the governor shall be commander-in-chief of the organized and unorganized militia and of all other forces available for emergency duty. To the greatest extent practicable, the governor shall delegate or assign command authority by prior arrangement, embodied in appropriate executive orders or in rules and regulations of the adjutant general, but nothing herein shall restrict the authority of the governor to do so by orders issued at the time of a disaster.

(b) Under the provisions of this act and for the implementation ~~thereof of this act~~, the governor may issue orders ~~and proclamations which shall to exercise the powers conferred by subsection (c) that~~ have the force and effect of law during the period of a state of disaster emergency declared under ~~subsection (b) of~~ K.S.A. 48-924 ~~(b)~~, and amendments thereto, ~~and which, or as provided in section 5, and amendments thereto.~~ Within 24 hours of the issuance of any such order, the governor shall call a meeting of the state finance council for the purposes of reviewing such order. Such orders and proclamations shall be null and void thereafter unless ratified by concurrent resolution of the legislature after the period of a state of disaster emergency has ended. Such orders ~~and proclamations~~ may be revoked at any time by concurrent resolution of the legislature.

(c) During a state of disaster emergency declared under K.S.A. 48-924, and amendments thereto, ~~and~~ in addition to any other powers conferred upon the governor by law and subject to the provisions of subsections (d) and (e), the governor may:

(1) Suspend the provisions of any regulatory statute prescribing the procedures for conduct of state business, or the orders or rules and regulations of any state agency which implements such statute, if strict compliance with the provisions of such statute, order or rule and regulation would prevent, hinder or delay in any way necessary action in coping with the disaster;

(2) utilize all available resources of the state government and of each political subdivision as reasonably necessary to cope with the disaster;

(3) transfer the supervision, personnel or functions of state departments and agencies or units thereof for the purpose of performing or facilitating emergency management activities;

(4) subject to any applicable requirements for compensation under K.S.A. 48-933, and amendments thereto, commandeer or utilize any private property if the governor finds such action necessary to cope with the disaster;

(5) direct and compel the evacuation of all or part of the population from any area of the state stricken or threatened by a disaster, if the governor deems this action necessary for the preservation of life or other disaster mitigation, response or recovery;

(6) prescribe routes, modes of transportation and destinations in connection with such evacuation;

(7) control ingress and egress of persons and animals to and from a disaster area, the movement of persons and animals within the area and the occupancy by persons and animals of premises therein;

(8) suspend or limit the sale, dispensing or transportation of alcoholic beverages,

explosives and combustibles;

(9) make provision for the availability and use of temporary emergency housing;

(10) require and direct the cooperation and assistance of state and local governmental agencies and officials; and

(11) perform and exercise such other functions, powers and duties in conformity with the constitution and the bill of rights of the state of Kansas and with the statutes of the state of Kansas, except any regulatory statute specifically suspended under the authority of subsection (c)(1), as are necessary to promote and secure the safety and protection of the civilian population.

(d) The governor shall not have the power or authority to temporarily or permanently seize, or authorize seizure of, any ammunition or to suspend or limit the sale, dispensing or transportation of firearms or ammunition pursuant to subsection (c) (8) or any other executive authority.

(e) The governor shall exercise the powers conferred by subsection (c) by issuance of orders under subsection (b). Each order issued pursuant to the authority granted by subsection (b) shall specify the provision or provisions of subsection (c) by specific reference to each paragraph of subsection (c) that confers the power under which the order was issued. The adjutant general, subject to the direction of the governor, shall administer such orders.

(f) The board of county commissioners of any county may issue an order relating to public health that includes provisions that are less stringent than the provisions of an executive order effective statewide issued by the governor. Any board of county commissioners issuing such an order must make a finding based upon advice from the local health officer or other local health officials that the scope of the provisions in the governor's executive order are not necessary to protect the public health and safety of the county to be implemented in the county.

Sec. 31. K.S.A. 48-932 is hereby amended to read as follows: 48-932. (a) A state of local disaster emergency may be declared by the chairman of the board of county commissioners of any county, or by the mayor or other principal executive officer of each city of this state having a disaster emergency plan, upon a finding by such officer that a disaster has occurred or the threat thereof is imminent within such county or city. No state of local disaster emergency shall be continued for a period in excess of seven (7) days or renewed, except with the consent of the board of county commissioners of such county or the governing body of such city, ~~as the case may be.~~ Any order or proclamation declaring, continuing or terminating a local disaster emergency shall be given prompt and general publicity and shall be filed ~~promptly~~ with the county clerk or city clerk, ~~as the case may be.~~ Any such declaration must be approved by the board of county commissioners or the governing body of the city, respectively, at the next meeting of such governing body.

(b) In the event of the absence of the chairman of the board of county commissioners from the county or the incapacity of such chairman, the board of county commissioners, by majority action of the remaining members thereof, may declare a state of local disaster emergency in the manner provided in and subject to the provisions of subsection (a). In the event of the absence of the mayor or other principal executive officer of a city from the city or the incapacity of such mayor or officer, the governing body of the city, by majority action of the remaining members thereof, may declare a state of local disaster emergency in the manner provided in and subject to the provisions

of subsection (a). Any state of local disaster emergency and any actions taken pursuant to applicable local and interjurisdictional disaster emergency plans, under this subsection shall continue and have full force and effect as authorized by law unless modified or terminated in the manner prescribed by law.

(c) The declaration of a local disaster emergency shall activate the response and recovery aspects of any and all local and interjurisdictional disaster emergency plans which are applicable to such county or city, and shall initiate the rendering of aid and assistance thereunder.

(d) No interjurisdictional disaster agency or any official thereof may declare a local disaster emergency, unless expressly authorized by the agreement pursuant to which the agency functions. However, an interjurisdictional disaster agency shall provide aid and services in accordance with the agreement pursuant to which it functions in the case of a state of local disaster emergency declared under subsection (a).

Sec. 32. K.S.A. 48-939 is hereby amended to read as follows: 48-939. ~~The knowing and willful violation of (a) A person who violates~~ any provision of this act or, any rule and regulation adopted by the adjutant general under this act or any lawful order or proclamation issued under authority of this act whether pursuant to a proclamation declaring a state of disaster emergency under K.S.A. 48-924, and amendments thereto, or a declaration of a state of local disaster emergency under K.S.A. 48-932, ~~shall constitute a class A misdemeanor and any person convicted of such violation shall be punished as provided by law therefor and amendments thereto, may incur a civil penalty in an amount not to exceed \$2,500 per violation.~~ Each penalty may be assessed in addition to any other penalty provided by law.

(b) Violations of this section shall be enforced through an action brought under chapter 60 of the Kansas Statutes Annotated, and amendments thereto, by the attorney general or the county or district attorney in the county in which the violation took place. Civil penalties sued for and recovered by the county or district attorney shall be paid into the general fund of the county where the proceedings were instigated.

(c) The attorney general or any county or district attorney may bring an action to enjoin, or to obtain a restraining order, against a person who has violated, is violating or is otherwise likely to violate this act.

Sec. 33. K.S.A. 65-201 is hereby amended to read as follows: 65-201. (a) The board of county commissioners of the several counties of this state each county shall act as the county board of health for their respective counties the county. Each county board ~~thus created~~ shall appoint a person licensed to practice medicine and surgery, preference being given to persons who have training in public health, who shall serve as the local health officer and who shall act in an advisory capacity to the county board of health and as the local health officer, except that. The appointing authority of city-county, county or multicounty health units with less than ~~one hundred thousand (100,000)~~ 100,000 population may appoint a qualified local health program administrator as the local health officer if a person licensed to practice medicine and surgery or person licensed to practice dentistry is designated as a consultant to direct the administrator on program and related medical and professional matters. The local health officer or local health program administrator shall hold office at the pleasure of the board.

(b) Any order issued by the county health officer, including orders issued as a result of an executive order of the governor, must be approved by the board of county

commissioners of the county affected by such order at the next meeting of the board. Any such approval of the order shall include an expiration date set by the board of county commissioners and may be revoked at an earlier date by a majority vote of the board.

(c) The board of county commissioners in any county having a population of less than ~~fifteen thousand (15,000)~~ 15,000 may contract with the governing body of any hospital located in such county for the purpose of authorizing such governing body of the hospital to supply services to a county board of health.

Sec. 34. K.S.A. 65-202 is hereby amended to read as follows: 65-202. (a) The local health officer in each county throughout the state, immediately after ~~his or her such officer's~~ appointment, shall take the same oath of office prescribed by law for the county officers, shall give bond of ~~five hundred dollars (\$500)~~ \$500 conditioned for the faithful performance of ~~his or her the officer's~~ duties, shall keep an accurate record of all the transactions of ~~his or her such~~ office, shall turn over to ~~his or her the~~ successor in office or to the county or joint board of health selecting such officer, on the expiration of ~~his or her such officer's~~ term of office, all records, documents and other articles belonging to the office and shall faithfully account to ~~said board of county commissioners~~ and to the county and state for all moneys coming into ~~his or her hands by virtue of~~ the office. Such officer shall notify the secretary of health and environment of ~~his or her such officer's~~ appointment and qualification, ~~as herein provided for~~, and provide the secretary with ~~his or her post-office address such officer's contact information.~~

Such officer shall receive and distribute without delay in the county ~~for which he or she is appointed~~ all forms from the secretary of health and environment to the rightful persons, all returns from persons licensed to practice medicine and surgery, assessors and local boards to said secretary, shall keep an accurate record of all of the transactions of ~~his or her such~~ office and shall turn over all records and documents kept by such officer, ~~as herein provided, and all other articles belonging to the office to his or her the~~ successor in office, or to the county or joint board electing such officer, on the expiration of ~~his or her the~~ term of office.

~~Such~~ The local health officer shall upon the opening of the fall term of school, make ~~or have made~~ a sanitary inspection of each school building and grounds, and shall make ~~or have made~~ such additional inspections ~~thereof~~ as are necessary to protect the public health of the students of the school.

(c) (1) Such officer shall make ~~or have made~~ an investigation of each case of smallpox, diphtheria, typhoid fever, scarlet fever, acute anterior poliomyelitis (infantile paralysis), epidemic cerebro-spinal meningitis and such other acute infectious, contagious or communicable diseases as may be required, and shall use all known measures to prevent the spread of any such infectious, contagious or communicable disease, and shall perform such other duties as this act, ~~his or her the~~ county or joint board, board of health or the secretary of health and environment may require.

(2) Any order issued by the county health officer, including orders issued as a result of an executive order of the governor, on behalf of a county regarding the remediation of any infectious disease must be approved by the board of county commissioners of any county affected by such order in the manner provided by K.S.A. 65-201(b), and amendments thereto.

Such officer shall receive ~~for his or her services such reasonable~~ compensation as ~~his~~

~~or her set by the board may allow~~ and with the approval of ~~his or her~~ the board of health may employ a skilled professional nurse and other additional personnel whenever deemed necessary for the protection of the public health.

~~All of said several sums allowed shall be paid out of the county treasury. For Any failure or neglect of said the local health officer to perform any of the duties prescribed in this act, he or she the officer may be removed from office by the secretary of health and environment, as well as in the manner prescribed by the preceding section county board of health.~~ In addition to removal from office as provided herein, for any failure or neglect to perform any of the duties prescribed by this act, ~~said the~~ local health officer shall be deemed guilty of a misdemeanor and, upon conviction, be fined not less ~~than ten dollars (\$10)~~ \$10 nor more than ~~one hundred dollars (\$100)~~ \$100 for each and every offense.

Sec. 35. K.S.A. 65-468 is hereby amended to read as follows: 65-468. As used in K.S.A. 65-468 ~~to through 65-474, inclusive~~, and amendments thereto:

(a) ~~"Health care~~ Healthcare provider" means any person licensed or otherwise authorized by law to provide health care services in this state or a professional corporation organized pursuant to the professional corporation law of Kansas by persons who are authorized by law to form such corporation and who are health care providers as defined by this subsection, or an officer, employee or agent thereof, acting in the course and scope of employment or agency.

(b) "Member" means any hospital, emergency medical service, local health department, home health agency, adult care home, medical clinic, mental health center or clinic or nonemergency transportation system.

(c) "Mid-level practitioner" means a physician assistant or advanced practice registered nurse who has entered into a written protocol with a rural health network physician.

(d) "Physician" means a person licensed to practice medicine and surgery.

(e) "Rural health network" means an alliance of members, including at least one critical access hospital and at least one other hospital ~~which, that~~ has developed a comprehensive plan submitted to and approved by the secretary of health and environment regarding: Patient referral and transfer; the provision of emergency and nonemergency transportation among members; the development of a network-wide emergency services plan; and the development of a plan for sharing patient information and services between hospital members concerning medical staff credentialing, risk management, quality assurance and peer review.

(f) ~~(1)~~ "Critical access hospital" means a member of a rural health network ~~which that~~ that: Makes available ~~twenty-four hour~~ 24-hour emergency care services; provides not more than 25 acute care inpatient beds or in the case of a facility with an approved swing-bed agreement a combined total of extended care and acute care beds that does not exceed 25 beds; provides acute inpatient care for a period that does not exceed, on an annual average basis, 96 hours per patient; and provides nursing services under the direction of a licensed professional nurse and continuous licensed professional nursing services for not less than 24 hours of every day when any bed is occupied or the facility is open to provide services for patients unless an exemption is granted by the licensing agency pursuant to rules and regulations. The critical access hospital may provide any services otherwise required to be provided by a full-time, on-site dietician, pharmacist, laboratory technician, medical technologist and radiological technologist on a part-time,

off-site basis under written agreements or arrangements with one or more providers or suppliers recognized under medicare. The critical access hospital may provide inpatient services by a physician assistant, advanced practice registered nurse or a clinical nurse specialist subject to the oversight of a physician who need not be present in the facility. In addition to the facility's 25 acute beds or swing beds, or both, the critical access hospital may have a psychiatric unit or a rehabilitation unit, or both. Each unit shall not exceed 10 beds and neither unit ~~will~~ shall count toward the 25-bed limit, ~~nor will these units~~ or be subject to the average 96-hour length of stay restriction.

(2) Notwithstanding the provisions of paragraph (1), prior to June 30, 2021, to the extent that a critical access hospital determines it is necessary to treat COVID-19 patients or to separate COVID-19 patients and non-COVID-19 patients, such critical access hospital shall not be limited to 25 beds or, in the case of a facility with an approved swing bed agreement, to a combined total of 25 extended care and acute care beds, and shall not be limited to providing acute inpatient care for a period of time that does not exceed, on an annual average basis, 96 hours per patient.

(g) "Hospital" means a hospital other than a critical access hospital ~~which~~ that has entered into a written agreement with at least one critical access hospital to form a rural health network and to provide medical or administrative supporting services within the limit of the hospital's capabilities.

New Sec. 36. The provisions of this act are severable. If any portion of the act is declared unconstitutional or invalid, or the application of any portion of the act to any person or circumstance is held unconstitutional or invalid, the invalidity shall not affect other portions of the act that can be given effect without the invalid portion or application, and the applicability of such other portions of the act to any person or circumstance shall remain valid and enforceable.

Sec. 37. Section 1 of 2020 House Substitute for Senate Bill No. 102, K.S.A. 48-924, 48-932, 48-939, 65-201, 65-202 and 65-468 and K.S.A. 2019 Supp. 19-101a, 41-2653, 44-702, 44-705, as amended by section 2 of 2020 Senate Bill No. 27, 44-709, 44-710, 44-757 and 48-925 are hereby repealed.";

Also on page 8, in line 9, by striking "statute book" and inserting "Kansas register";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in lines 2 through 6 and inserting "governmental response to the 2020 COVID-19 pandemic in Kansas; providing certain relief related to health, welfare, property and economic security during this public health emergency; making and concerning appropriations for the fiscal years ending June 30, 2020, and June 30, 2021, for the legislative coordinating council and the governor's department; relating to the state of disaster emergency; powers of the governor and executive officers; providing certain limitations and restrictions; business and commercial activities, local health officials; violations of the emergency management act; enacting the COVID-19 response and reopening for business liability protection act; relating to limitations on liability associated with the COVID-19 public health emergency; providing immunity from civil liability for healthcare providers during the COVID-19 public health emergency; validating certain notarial acts performed while the requirements that a person must appear before a notary public are suspended; requiring county health officers to share certain information with first responder agencies and 911 call centers; imposing requirements on the Kansas department for aging and disability services related to

infection prevention and control practices and recommendations, infection control inspections and providing personal protective equipment; authorizing the expanded use of telemedicine in response to the COVID-19 public health emergency and imposing requirements related thereto; suspending certain requirements related to medical care facilities and expiring such provisions; providing for temporary suspension of certain healthcare professional licensing and practice requirements; delegation and supervision requirements; conditions of licensure and renewal and reinstatement of licensure; relating to authorized use of two-way electronic audio-visual communication by courts to secure the health and safety of court users, staff and judicial officers; authorizing the temporary sale of alcoholic liquor for consumption off of certain licensed premises; relating to changes in the employment security law in response to the COVID-19 public health emergency; eligibility for benefits; contribution rates; federal reimbursement; employer notifications; shared work plan eligibility; authorizing counties to adopt orders relating to public health that are less stringent than statewide executive orders; requiring the board of county commissioners to approve orders of a local health officer; requiring city governing bodies to approve local disaster orders of the mayor; providing for severability of this act; amending Section 1 of 2020 House Substitute for Senate Bill No. 102, K.S.A. 48-924, 48-932, 48-939, 65-201, 65-202 and 65-468 and K.S.A. 2019 Supp. 19-101a, 41-2653, 44-702, 44-705, as amended by section 2 of 2020 Senate Bill No. 27, 44-709, 44-710, 44-757 and 48-925 and repealing the existing sections.";

And your committee on conference recommends the adoption of this report.

RICHARD WILBORN

ERIC RUCKER

Conferees on part of Senate

FRED PATTON

BRADLEY RALPH

Conferees on part of House

On motion of Rep. Patton, the conference committee report on **S Sub for HB 2054** was adopted.

On roll call, the vote was: Yeas 76; Nays 34; Present but not voting: 0; Absent or not voting: 14.

Yeas: Arnberger, Awerkamp, Baker, Bergquist, Blex, Burris, Capps, Carlson, Carpenter, B., Carpenter, W., Claeys, Clark, Collins, Concannon, Corbet, Cox, Croft, Delperdang, Dietrich, Donohoe, Dove, Ellis, Eplee, Erickson, Esau, Finch, Francis, Garber, Hawkins, Helmer, Highland, Hoffman, Hoheisel, Houser, Howard, Huebert, Humphries, Jacobs, Jennings, Johnson, Karleskint, Kelly, Kessinger, Landwehr, Long, Lynn, Mason, Newland, Orr, Owens, Pannbacker, Patton, Proehl, Rahjes, Ralph, Resman, Rhiley, Ryckman, Schreiber, Seiwert, Smith, A., Smith, E., Straub, Sutton, Tarwater, Thimesch, Thomas, Thompson, Toplikar, Vickrey, Waggoner, Warren, Wasinger, Waymaster, Wheeler, Williams.

Nays: Alcalá, Amyx, Ballard, Burroughs, Carlin, Carmichael, Clayton, Curtis, Dierks, French, Gartner, Helgerson, Henderson, Highberger, Hodge, Holscher, Lusk, Ohaebosim, Ousley, Parker, Pittman, Probst, Ruiz, S., Samsel, Sawyer, Stogsdill, Ward, Warfield, Weigel, Winn, Wolfe Moore, Woodard, Xu, Yeager.

Present but not voting: none.

Absent or not voting: Barker, Bishop, Finney, Frownfelter, Hineman, Horn, Kuetner, Mastroni, Moore, Murnan, Neighbor, Phillips, Ruiz, L., Victors.

EXPLANATIONS OF VOTE

MR. SPEAKER: When you give power away, you rarely get it back. The Kansas Emergency Management Act gave power to the Governor. The COVID-19 pandemic teaches that it is too much power for one person without adequate legislative oversight.

It further teaches that such legislative oversight in the hands of just seven or eight members of the Legislative Coordinating Council or State Finance Council, respectively, is too much power in too few hands.

As a result, our government became dysfunctional during a time of emergency. We must do better for Kansas.

The *entire* Legislature must retain such oversight. I vote NO on **S Sub for HB 2054**.
— MARK SAMSEL

MR. SPEAKER: I vote Yes today on the Conference Committee Report on **S Sub for HB 2054**. Since we left the Capitol in March the people of Kansas have suffered greatly. Not only those who were afflicted by the Coronavirus, but by those afflicted by the Incompetent policies of the Kelly Administration. We have learned that “power corrupts and Absolute power corrupts absolutely.” The assault on small business, the first amendment, And common sense these last eight weeks is unprecedented in Kansas history. The bill restores Some balance in governmental powers and I predict, will restore the faith of the people of Kansas that their government listens to their voice. — PAUL WAGGONER

REPORT ON ENROLLED BILLS

HB 2168, HB 2595 reported correctly enrolled, properly signed and presented to the Governor on March 24, 2020.

REPORT ON ENROLLED RESOLUTIONS

HCR 5025 reported correctly enrolled and properly signed on March 20, 2020.

BILLS STRICKEN FROM THE CALENDAR

In accordance with House Rule 1507, the following bills were stricken from the calendar for May 1, 2020: **SB 270, H Sub SB 271, SB 275, SB 277, SB 284, H Sub SB 285, SB 289, SB 290, SB 292, SB 304, SB 305, SB 306, SB 307, SB 326, SB 354, SB 373, SB 382, SB 384, SB 405, SB 420.**

The hour for final adjournment having arrived, Speaker pro tem Finch announced, “By virtue of the authority vested in me, as Speaker pro tem of the House Representatives of the 2020 session, I do now declare the House adjourned sine die.”

JENNY HAUGH, JULIA WERNER, *Journal Clerks.*

SUSAN W. KANNARR, *Chief Clerk.*

REPORT ON ENROLLED BILLS

HB 2054 reported correctly enrolled, properly signed and presented to the Governor on May 22, 2020.

HB 2018, HB 2034, HB 2137, HB 2246, HB 2510, HB 2585, HB 2619, HB 2702 reported correctly enrolled, properly signed and presented to the Governor on May 26, 2020.

MESSAGES FROM THE GOVERNOR

HB 2018, HB 2034, HB 2137, HB 2246, HB 2585 approved on June 1, 2020.

The following message with the Governor's objection to **HB 2054**, AN ACT concerning governmental response to the 2020 COVID-19 pandemic in Kansas; providing certain relief related to health, welfare, property and economic security during this public health emergency; making and concerning appropriations for the fiscal years ending June 30, 2020, and June 30, 2021, for the legislative coordinating council and the governor's department; relating to the state of disaster emergency; powers of the governor and executive officers; providing certain limitations and restrictions; business and commercial activities, local health officials; violations of the emergency management act; enacting the COVID-19 response and reopening for business liability protection act; relating to limitations on liability associated with the COVID-19 public health emergency; providing immunity from civil liability for healthcare providers during the COVID-19 public health emergency; validating certain notarial acts performed while the requirements that a person must appear before a notary public are suspended; requiring county health officers to share certain information with first responder agencies and 911 call centers; imposing requirements on the Kansas department for aging and disability services related to infection prevention and control practices and recommendations, infection control inspections and providing personal protective equipment; authorizing the expanded use of telemedicine in response to the COVID-19 public health emergency and imposing requirements related thereto; suspending certain requirements related to medical care facilities and expiring such provisions; providing for temporary suspension of certain healthcare professional licensing and practice requirements; delegation and supervision requirements; conditions of licensure and renewal and reinstatement of licensure; relating to authorized use of two-way electronic audio-visual communication by courts to secure the health and safety of court users, staff and judicial officers; authorizing the temporary sale of alcoholic liquor for consumption off of certain licensed premises; relating to changes in the employment security law in response to the COVID-19 public health emergency; eligibility for benefits; contribution rates; federal reimbursement; employer notifications; shared work plan eligibility; authorizing counties to adopt orders relating to public health that are less stringent than statewide executive orders; requiring the board of county commissioners to approve orders of a local health officer; requiring city governing bodies to approve local disaster orders of the mayor; providing for severability of this act; amending Section 1 of 2020 House Substitute for Senate Bill No. 102, K.S.A. 48-924, 48-932, 48-939, 65-201, 65-202 and 65-468 and K.S.A. 2019 Supp. 19-101a, 41-2653, 44-702, 44-705, as amended by section 2 of 2020 Senate Bill No. 27, 44-709, 44-710, 44-757 and 48-925 and repealing the existing sections, was received on May 26, 2020.

**MESSAGE FROM THE GOVERNOR
REGARDING VETO OF HOUSE BILL 2054**

House Bill 2054 is a sweeping piece of legislation that would have long-lasting consequences for the people of Kansas as we continue to mitigate the impact of COVID-19 in our state.

I support provisions of House Bill 2054 that extend a crucial emergency declaration upon which Kansas' entire COVID-19 response effort is based. With no emergency declaration in place, critical federal support through FEMA, in addition to all Executive Orders issued under the previous act, will expire. Months of sacrifice and work on the part of Kansas families, local officials, public health leaders, and emergency response teams to limit the harm inflicted by this global public health pandemic will be lost.

Unfortunately, this legislation comes attached to policy provisions I cannot support.

1. House Bill 2054 politicizes and hampers the ability of the Executive Branch to act swiftly on behalf of Kansans in the face of an emergency. I am willing to accept changes to Kansas Emergency Management Act (KEMA) that extend additional legislative oversight during times of emergency, within reason. Unfortunately, House Bill 2054 goes beyond reasonable legislative oversight and fails to make appropriate amendments to the law. First, the legislation demands that a supermajority of legislative leaders on the State Finance Council approve emergency actions. The bill also needlessly and dangerously hamstring the government's ability to respond to future threats from COVID-19. Finally, House Bill 2054 fails to provide a reasonable mechanism for the extension of emergency declarations during the many months each year that the Legislature is not in session.

2. House Bill 2054 creates unnecessary, unprecedented bureaucracy that will impede on the timely distribution of federal coronavirus relief. I am willing to engage the Kansas Legislature in the proper, efficient distribution of federal Coronavirus Relief Funds. This is why I included both Republican legislative leaders and Republican budget committee chairs on the Strengthening People and Revitalizing Kansas (SPARK) Taskforce for the newly established Recovery Office. However, House Bill 2054 goes beyond collaboration to add unwarranted, unprecedented bureaucracy to the process. It will inevitably delay and confuse efforts for providing relief to Kansas communities and businesses. Kansas accepts billions of dollars in aid each year from the federal government. Kansas law provides the Executive Branch authority to not only accept federal funds, but to expend such funds. This legislative overreach is not only unprecedented, it will delay the process to an extent that will endanger our ability to disperse funds by December 31, 2020, as required by federal law.

3. House Bill 2054 undermines a thoughtful compromise originally reached on liability protections to protect both individuals and responsible business owners. My administration engaged key stakeholders in a thorough discussion to amend COVID-19-related civil liability protections in a responsible manner. After weeks of negotiation, a compromise was reached. House Bill 2054 fails to honor this compromise and discards all of the progress made in prior negotiations.

House Bill 2054 was debated, voted on, and written while most Kansans were asleep and was never intended to address reasonable concerns and bring KEMA in line

with our present circumstances. Rather, it was designed to trigger a high-stakes game of political chicken, combining provisions that are essential to COVID-19 response with a wide ranging, special interest “wish-list” of unrelated and unnecessary provisions. I call on the Kansas Legislature to send a clean proposal to my desk that will provide clarity and legal certainty for all elements of our emergency response moving forward.

Therefore, under Article 2, Section 14(a) of the Kansas Constitution, I hereby veto House Bill 2054.

Dated: May 26, 2020

LAURA KELLY
Governor of Kansas

The Legislature having adjourned Sine Die on May 21, 2020, there was no opportunity for reconsideration of **Senate Substitute for HB 2054**.

The following message with the Governor's objection to **HB 2510**, AN ACT concerning education; creating the Kansas promise scholarship act; requiring a Kansas foster care children annual academic report card; authorizing the state board of regents on behalf of Kansas state university to sell certain real property in Saline county; authorizing school districts to pay tuition and fees for concurrent and dual enrollment of students; requiring tuition waiver for dual or concurrently enrolled foster students; authorizing the practice of the healing arts by healing arts school clinics; providing ACT college entrance exams and workkeys assessments to nonpublic school students; amending K.S.A. 65-2877a, as amended by section 5 of chapter 52 of the 2019 Session Laws of Kansas, 72-3220, 72-3221, 72-3222, 72-3223, 72-3224 and 75-53,112 and K.S.A. 2019 Supp. 17-2707, 17-7668 and 72-5179 and repealing the existing sections, was received on June 1, 2020.

**MESSAGE FROM THE GOVERNOR
REGARDING VETO OF HOUSE BILL 2510**

House Bill 2510 includes valuable provisions—such as free ACT exams for high school students and a foster care report card—that I would sign into law if they were presented in a standalone bill. The Kansas Promise Scholarship is also a laudable effort to make higher education more accessible to vulnerable Kansans who come of age in the foster care system, and to incentivize Kansas graduates to establish their careers here.

Although well-intentioned, House Bill 2510 as a whole would annually deplete millions from state funds at a time when Kansas faces a \$1.3 billion budget shortfall. I cannot in good conscience sign a bill establishing a new discretionary spending program that is unrelated to Kansas COVID-19 response efforts when such severe financial strain looms in the months ahead. I have made Kansas children in foster care one of the top priorities of my administration. At this time of fiscal crisis we must focus on preserving the foster care programs and services already in place.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto House Bill 2510.

Dated: June 1, 2020

LAURA KELLY
Governor of Kansas

The Legislature having adjourned Sine Die on May 21, 2020, there was no opportunity for reconsideration of **HB 2510**.

The following message with the Governor's objection to **HB 2619**, AN ACT concerning financial institutions; enacting the Kansas economic recovery loan deposit program; relating to credit unions, field of membership; banks, trust companies and savings and loan institutions, privilege tax, deduction of net interest received from certain agricultural real estate loans and single family residence loans; amending K.S.A. 75-4237 and 79-1109 and K.S.A. 2019 Supp. 17-2205 and repealing the existing sections, was received on June 1, 2020.

**MESSAGE FROM THE GOVERNOR
REGARDING VETO OF HOUSE BILL 2619**

House Bill 2619 establishes a new Economic Recovery Linked Deposit Loan Program for businesses in response to the economic downturn caused by the COVID-19 pandemic. This 10-year program would make up to \$60 million available for low-interest loans to businesses and agricultural producers through the Pooled Money Investment Board.

I support efforts to provide economic relief to Kansas small businesses and agricultural producers who have been hard hit by the COVID-19 pandemic. However, federal funding made available to Kansas through the CARES Act is a more appropriate funding source for this effort. With a \$1.3 billion budget shortfall looming, we must protect every state resource at our disposal to make ends meet in the months ahead, including earnings from the state's investment portfolio.

House Bill 2619 also grants authority to the Kansas State Treasurer to administer the loan program. These programs have historically been administered by the Kansas Department of Commerce, and that should continue in our COVID-19 response effort.

Finally, this bill includes a problematic income tax exemption for for-profit banks. While the efforts of Kansas banks and credit unions to reach a compromise on this legislation are laudable, I cannot in good conscience agree to providing tax breaks for banks in light of the looming budget shortfall. Additionally, the CARES Act already provides relief for banks that will far exceed the benefits of this legislation.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto House Bill 2619.

Dated: June 1, 2020

LAURA KELLY
Governor of Kansas

The Legislature having adjourned Sine Die on May 21, 2020, there was no opportunity for reconsideration of **HB 2619**.

The following message with the Governor's objection to **HB 2702**, AN ACT concerning taxation; relating to income tax, enacting the Kansas taxpayer protection act regulating paid tax return preparers, extending certain return filing and tax payment deadlines; property taxation, rates, truth in taxation and establishing notice and public hearing requirements prior to approval to exceed revenue neutral rate, discontinuing the city and county tax lid, time for payment of real property and personal property taxes, providing for waiver of interest and fees for late property tax payments for a certain period of time, extending the time for listing and publication of delinquent real estate subject to sale, prohibiting valuation increase of real property solely as the result of normal repair, replacement or maintenance, establishment of a payment plan for the payment of delinquent or nondelinquent taxes; amending K.S.A. 79-1110, 79-1460, 79-1801, 79-2024, 79-2302, 79-2303, 79-2925c, 79-3221 and 79-3225 and repealing the existing sections, was received on June 1, 2020.

**MESSAGE FROM THE GOVERNOR
REGARDING VETO OF HOUSE BILL 2702**

During the COVID-19 pandemic our local governments have risen to the challenge of providing services to citizens when COVID-19 threatens the normal operations of businesses and government agencies alike. I am keenly aware of the challenges facing Kansas taxpayers, especially those facing unemployment or decreased income as a result of the COVID-19 pandemic.

However, the COVID-19 pandemic has also required our local governments to do more with less. Local governments rely heavily on property taxes to fund essential programs and services, but by allowing property tax payments to be made as late as August 10, 2020, with no penalties or interest, House Bill 2702 would potentially deprive local governments of essential funding at a time it is needed the most. Local governments cannot meet increased demand for police, fire, emergency medical, and other services if a primary funding source for local governments is withdrawn. Additionally, HB 2702 places significant administrative burdens on local governments when local officials should be focused on addressing the threats and challenges of COVID-19 in their communities.

I have long supported responsible property tax relief, but the provisions of HB 2702 cause more problems than they solve. Now is not the time to create more problems and burdens for local governments.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto House Bill 2702.

Dated: June 1, 2020

LAURA KELLY
Governor of Kansas

The Legislature having adjourned Sine Die on May 21, 2020, there was no opportunity for reconsideration of **HB 2702**.

MESSAGE FROM THE SENATE

The Senate announces the following bills and concurrent resolutions are hereby transmitted to the House with final disposition:

House Bills that died in Conference: **HB 2160, HB 2466.**

House Bills that died on the Senate Calendar: **S Sub 2063, S Sub HB 2154, S Sub HB 2244, S Sub 2346, S Sub HB 2396, HB 2420, HB 2432, HB 2447, HB 2451, HB 2452, HB 2462, HB 2464, HB 2479, S Sub HB 2480, S Sub HB 2487, S Sub HB 2490, HB 2501, Sub 2506, HB 2507, HB 2509, S Sub HB 2515, HB 2524, S Sub HB 2540, HB 2575, HB 2618, HB 2646, HB 2713.**

House Bills that died in Senate Committees: **HB 2006, HB 2041, HB 2048, HB 2066, HB 2082, HB 2105, HB 2133, S Sub HB 2143, HB 2147, HB 2173, HB 2179, HB 2185, HB 2198, HB 2199, HB 2206, HB 2239, HB 2243, HB 2274, HB 2279, HB 2281, HB 2307, HB 2314, HB 2326, HB 2336, HB 2360, HB 2369, HB 2371, HB 2372, HB 2389, HB 2402, HB 2426, HB 2428, HB 2429, HB 2438, HB 2448, HB 2449, HB 2454, HB 2456, HB 2463, HB 2467, HB 2469, HB 2470, HB 2495, HB 2496, HB 2500, HB 2503, HB 2516, HB 2518, HB 2521, HB 2528, HB 2546, HB 2547, HB 2548, HB 2554, HB 2571, HB 2583, HB 2587, HB 2596, HB 2689, HB 2695, HB 2699, HB 2708.**

House Concurrent Resolutions that died in Senate Committees: **HCR 5020.**