

As Amended by House Committee

Session of 2019

HOUSE BILL No. 2006

By Representative Williams

1-4

1 AN ACT concerning the department of commerce; relating to **economic**
2 **development incentive program evaluations by legislative post**
3 **audit**; the disclosure of economic development incentive program data,
4 tax credit programs and certain property tax exemptions; required
5 database; amending K.S.A. 2018 Supp. 75-5133 and 79-3234 and
6 repealing the existing sections.

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

9 **New Section 1. (a) Under the authority of this section and the**
10 **legislative post audit act, and subject to appropriations therefor, the**
11 **legislative post audit committee shall direct the post auditor and the**
12 **division of post audit to conduct a systematic and comprehensive**
13 **review, analysis and evaluation, under the provisions of the legislative**
14 **post audit act, of each economic development incentive program as**
15 **identified by the legislative post audit committee pursuant to the**
16 **definition of economic development incentive program in section 2,**
17 **and amendments thereto.**

18 **(b) The evaluations shall be considered within the meaning of the**
19 **term audit for purposes of the legislative post audit act and shall be**
20 **conducted by the post auditor and the division of legislative post audit**
21 **pursuant to a schedule developed by the legislative post audit**
22 **committee, such that all economic development incentive programs**
23 **shall be reviewed every two years, and new economic development**
24 **incentive programs shall be reviewed the year after the program**
25 **commences, and then every two years thereafter. The timing and**
26 **extent of the evaluations may be subject to adjustment by the**
27 **legislative post audit committee in a manner consistent with the**
28 **requirements of this section as necessary to conform with resources**
29 **available to the post auditor in consideration of the demands of other**
30 **duties under the legislative post audit act.**

31 **(c) In conducting such evaluations, the post auditor and the**
32 **division of post audit shall have access to all books, accounts, records,**
33 **files, documents and correspondence, confidential or otherwise, to the**
34 **same extent permitted under K.S.A. 46-1106(e), and amendments**
35 **thereto, and shall be subject to the same duty of confidentiality as**
36 **provided by the legislative post audit act.**

1 (d) The evaluations shall include:

2 (1) A description of the economic development incentive
3 program;

4 (2) an assessment of the program's design and administration;

5 (3) an estimate of the economic and fiscal impact;

6 (4) a return on investment calculation for the economic
7 development incentive program. For purposes of this paragraph,
8 "return on investment calculation" means analyzing the cost to the
9 state or political subdivision for providing the economic development
10 incentive program and analyzing the benefits realized by the state or
11 political subdivision from providing the economic development
12 incentive program;

13 (5) other information as requested by the legislative post audit
14 committee; and

15 (6) all information, after redaction, as necessary, by the post
16 auditor to remove information confidential under state or federal law,
17 required for publication pursuant to section 3, and amendments
18 thereto, with respect to the program being evaluated.

19 (e) The post auditor shall prepare and submit a written report
20 with respect to each evaluation to the legislative post audit committee
21 as provided by the legislative post audit act and, in addition, shall
22 prepare and provide any redacted information, with respect to the
23 economic incentive program evaluated, required for publication by
24 the secretary of commerce pursuant to section 3, and amendments
25 thereto, to the secretary of commerce if such information is not
26 otherwise available to the secretary of commerce.

27 (f) This section shall be a part of and supplemental to the
28 legislative post audit act.

29 ~~New Section 1~~ Sec. 2. ~~(a)~~ As used in ~~this section~~ sections 2 and 3,
30 and amendments thereto:

31 ~~(+)~~(a) "Administering agency" means the state agency or department
32 charged with administering a particular income tax credit program, as set
33 forth by the program's enacting statute or, where no department or agency
34 is set forth, the department of revenue.

35 ~~(2)~~(b) "Economic development incentive program" means:

36 ~~(A)~~(1) Any economic development incentive program administered
37 wholly or in part by the secretary of commerce;

38 ~~(B)~~(2) any tax credit program, except for social and domestic tax
39 credits, regardless of the administering agency;

40 ~~(C)~~(3) property that has been exempted from ad valorem taxation
41 under the provisions of section 13 of article 11 of the constitution of the
42 state of Kansas; and

43 ~~(D)~~(4) property that has been purchased, acquired, constructed,

1 reconstructed, improved, equipped, furnished, repaired, enlarged or
2 remodeled with all or any part of the proceeds of revenue bonds issued
3 under the authority of K.S.A. 12-1740 through 12-1749a, and amendments
4 thereto, that is exempt from ad valorem taxation under K.S.A. 79-201a
5 *Second*, and amendments thereto; and

6 **(5) any economic development fund, including, but not limited to,**
7 **the job creation fund established by K.S.A. 74-50,224, and**
8 **amendments thereto.**

9 ~~(3)~~(c) "Enterprise" means a corporation, limited liability company, S
10 corporation, partnership, registered limited liability partnership,
11 foundation, association, nonprofit entity, sole proprietorship, business trust
12 or other entity engaged in business.

13 ~~(4)~~(d) "Recipient" means the enterprise that is the original applicant
14 for and that receives proceeds from an economic development incentive
15 program directly from the administering agency.

16 ~~(5)~~(e) "Social and domestic tax credits" means the adoption credit
17 created pursuant to K.S.A. 79-202a, and amendments thereto, the earned
18 income tax credit created pursuant to K.S.A. 2018 Supp. 79-32,205, and
19 amendments thereto, the food sales tax credit created pursuant to K.S.A.
20 2018 Supp. 79-32,271, and amendments thereto, the child and dependent
21 care tax credit created pursuant to K.S.A. 2018 Supp. 79-32,111c, and
22 amendments thereto, and the homestead property tax refund created
23 pursuant to K.S.A. 79-4501 et seq., and amendments thereto.

24 ~~(6)~~(f) "Tax credit program" means any credit allowed against the tax
25 imposed by the Kansas income tax act, the premium or privilege fees
26 imposed pursuant to K.S.A. 40-252, and amendments thereto, or the
27 privilege tax as measured by net income of financial institutions imposed
28 pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and
29 amendments thereto.

30 **New Sec. 3.** ~~(b)~~—(a) The department of commerce shall collect
31 incentive data from economic development incentive programs that
32 provide more than \$50,000 of annual incentives from administering
33 agencies as required by this section. Such data shall be collected from
34 administering agencies and be stored in a database that is available to the
35 public in a digital format. The database shall contain information from
36 multiple years and must be searchable, printable and available to access
37 over the internet either on the department of commerce's website or via a
38 conspicuous link on the front page of the department's website.
39 Information included in the database shall be updated by the department of
40 commerce on an annual basis and such update shall be completed prior to
41 the end of the following fiscal year in which such incentive was earned or
42 distributed.

43 ~~(e)~~(b) The database required to be created by subsection-~~(b)~~ (a) shall

1 contain the following information or shall contain a link by which the user
2 can access such information:

3 (1) User information for each economic development incentive
4 program, including the:

5 (A) Names and addresses, including county, of recipients receiving
6 benefits from the program and, for sales tax and revenue bonds issued
7 under the STAR bond financing act, K.S.A. 2018 Supp. 12-17,162 et seq.,
8 and amendments thereto, the names of principals and officers for each
9 project developer;

10 (B) annual amount of incentives claimed and distributed to each
11 recipient;

12 (C) qualification criteria for the economic development incentive
13 program, including, if available, qualification criteria specific to the
14 recipient. **Qualification criteria shall include, but not be limited to, any**
15 **requirements regarding the number of jobs created or the amount of**
16 **initial or annual capital improvement;**

17 ~~(D) required benchmarks for continued participation in the economic~~
18 ~~development incentive program; and~~

19 ~~(E)~~(D) years for which the recipient has received benefits under the
20 economic development incentive program;

21 (2) descriptive information for each economic development program,
22 which shall include:

23 (A) A description and history of the program, including its inception
24 date;

25 (B) the purpose or goals of the program and the criteria for
26 qualification;

27 (C) applications for the program, if any, and relevant resources or
28 contacts;

29 (D) the program cost and return on investment, including
30 assumptions used to calculate the return on investment;

31 (E) the program compliance rate;

32 (F) annual reports, if required by statute; and

33 (G) evaluations of the program, if any; and

34 (3) annual data, which shall be organized by recipient, county and
35 program and shall include the:

36 (A) Total amount of annual incentives from a program claimed by a
37 recipient;

38 (B) total amount of incentives received by recipients in each county;
39 and

40 (C) total amount of incentives distributed by each program.

41 ~~(D)~~(c) Data collected pursuant to this section must be aggregated and
42 provided by program, recipient and county.

43 ~~(e) Information required to be included in the database under~~

1 ~~subsection (c) shall not be disclosed if such disclosure would violate any~~
2 ~~federal law or confidentiality provisions of any agreement executed before~~
3 ~~July 1, 2019, or if, in the discretion of the secretary of commerce, such~~
4 ~~disclosure would be detrimental to the development of a STAR bond~~
5 ~~project.~~

6 **(d) Except as otherwise provided in this subsection, and**
7 **notwithstanding any information publication requirements listed in**
8 **this section, no information shall be disclosed by the secretary of**
9 **commerce under this section if such disclosure would:**

10 **(1) Violate any federal law;**

11 **(2) violate the confidentiality provisions of any agreement**
12 **executed before July 1, 2019;**

13 **(3) in the discretion of the secretary of commerce, be detrimental**
14 **to the development of a STAR bond project or jeopardize an economic**
15 **development incentive program or project; or**

16 **(4) disclose the names or other personally identifying information**
17 **of individuals who have made contributions or investments pursuant**
18 **to the provisions of an economic development incentive program for**
19 **the purpose of receiving a tax credit.**

20 **Information that is otherwise publicly available shall not be**
21 **considered confidential and shall be subject to publication as provided**
22 **in this section.**

23 ~~Sec. 2-4. K.S.A. 2018 Supp. 75-5133 is hereby amended to read as~~
24 ~~follows: 75-5133. (a) Except as otherwise more specifically provided by~~
25 ~~law, all information received by the secretary of revenue, the director of~~
26 ~~taxation or the director of alcoholic beverage control from returns, reports,~~
27 ~~license applications or registration documents made or filed under the~~
28 ~~provisions of any law imposing any sales, use or other excise tax~~
29 ~~administered by the secretary of revenue, the director of taxation, or the~~
30 ~~director of alcoholic beverage control, or from any investigation conducted~~
31 ~~under such provisions, shall be confidential, and it shall be unlawful for~~
32 ~~any officer or employee of the department of revenue to divulge any such~~
33 ~~information except in accordance with other provisions of law respecting~~
34 ~~the enforcement and collection of such tax, in accordance with proper~~
35 ~~judicial order or as provided in K.S.A. 74-2424, and amendments thereto.~~

36 ~~(b) The secretary of revenue or the secretary's designee may:~~

37 ~~(1) Publish statistics, so classified as to prevent identification of~~
38 ~~particular reports or returns and the items thereof;~~

39 ~~(2) allow the inspection of returns by the attorney general or the~~
40 ~~attorney general's designee;~~

41 ~~(3) provide the post auditor access to all such excise tax reports or~~
42 ~~returns in accordance with and subject to the provisions of K.S.A. 46-~~
43 ~~1106(g), and amendments thereto;~~

1 (4) disclose taxpayer information from excise tax returns to persons
2 or entities contracting with the secretary of revenue where the secretary
3 has determined disclosure of such information is essential for completion
4 of the contract and has taken appropriate steps to preserve confidentiality;

5 (5) provide information from returns and reports filed under article 42
6 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto,
7 to county appraisers as is necessary to ensure proper valuations of
8 property. Information from such returns and reports may also be
9 exchanged with any other state agency administering and collecting
10 conservation or other taxes and fees imposed on or measured by mineral
11 production;

12 (6) provide, upon request by a city or county clerk or treasurer or
13 finance officer of any city or county receiving distributions from a local
14 excise tax, monthly reports identifying each retailer doing business in such
15 city or county or making taxable sales sourced to such city or county,
16 setting forth the tax liability and the amount of such tax remitted by each
17 retailer during the preceding month, and identifying each business location
18 maintained by the retailer and such retailer's sales or use tax registration or
19 account number;

20 (7) provide information from returns and applications for registration
21 filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-
22 3601, and amendments thereto, to a city or county treasurer or clerk or
23 finance officer to explain the basis of statistics contained in reports
24 provided by subsection (b)(6);

25 (8) disclose the following oil and gas production statistics received by
26 the department of revenue in accordance with K.S.A. 79-4216 et seq., and
27 amendments thereto: Volumes of production by well name, well number,
28 operator's name and identification number assigned by the state
29 corporation commission, lease name, leasehold property description,
30 county of production or zone of production, name of purchaser and
31 purchaser's tax identification number assigned by the department of
32 revenue, name of transporter, field code number or lease code, tax period,
33 exempt production volumes by well name or lease, or any combination of
34 this information;

35 (9) release or publish liquor brand registration information provided
36 by suppliers, farm wineries, microdistilleries and microbreweries in
37 accordance with the liquor control act. The information to be released is
38 limited to: Item number, universal numeric code, type status, product
39 description, alcohol percentage, selling units, unit size, unit of
40 measurement, supplier number, supplier name, distributor number and
41 distributor name;

42 (10) release or publish liquor license information provided by liquor
43 licensees, distributors, suppliers, farm wineries, microdistilleries and

1 microbreweries in accordance with the liquor control act. The information
2 to be released is limited to: County name, owner, business name, address,
3 license type, license number, license expiration date and the process agent
4 contact information;

5 (11) release or publish cigarette and tobacco license information
6 obtained from cigarette and tobacco licensees in accordance with the
7 Kansas cigarette and tobacco products act. The information to be released
8 is limited to: County name, owner, business name, address, license type
9 and license number;

10 (12) provide environmental surcharge or solvent fee, or both,
11 information from returns and applications for registration filed pursuant to
12 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secretary
13 of health and environment or the secretary's designee for the sole purpose
14 of ensuring that retailers collect the environmental surcharge tax or solvent
15 fee, or both;

16 (13) provide water protection fee information from returns and
17 applications for registration filed pursuant to K.S.A. 82a-954, and
18 amendments thereto, to the secretary of the state board of agriculture or the
19 secretary's designee and the secretary of the Kansas water office or the
20 secretary's designee for the sole purpose of verifying revenues deposited to
21 the state water plan fund;

22 (14) provide to the secretary of commerce copies of applications for
23 project exemption certificates sought by any taxpayer under the enterprise
24 zone sales tax exemption pursuant to K.S.A. 79-3606(cc), and
25 amendments thereto;

26 (15) disclose information received pursuant to the Kansas cigarette
27 and tobacco act and subject to the confidentiality provisions of this act to
28 any criminal justice agency, as defined in K.S.A. 22-4701(c), and
29 amendments thereto, or to any law enforcement officer, as defined in
30 K.S.A. 2018 Supp. 21-5111, and amendments thereto, on behalf of a
31 criminal justice agency, when requested in writing in conjunction with a
32 pending investigation;

33 (16) provide to retailers tax exemption information for the sole
34 purpose of verifying the authenticity of tax exemption numbers issued by
35 the department;

36 (17) provide information concerning remittance by sellers, as defined
37 in K.S.A. 2018 Supp. 12-5363, and amendments thereto, of prepaid
38 wireless 911 fees from returns to the local collection point administrator,
39 as defined in K.S.A. 2018 Supp. 12-5363, and amendments thereto, for
40 purposes of verifying seller compliance with collection and remittance of
41 such fees;

42 (18) release or publish charitable gaming information obtained in
43 charitable gaming licensee and registration applications and renewals in

1 accordance with the Kansas charitable gaming act, K.S.A. 2018 Supp. 75-
2 5171 et seq., and amendments thereto. The information to be released is
3 limited to: The name, address, phone number, license registration number
4 and email address of the organization, distributor or of premises; ~~and~~

5 (19) provide to the attorney general confidential information for
6 purposes of determining compliance with or enforcing K.S.A. 50-6a01 et
7 seq., and amendments thereto, the master settlement agreement referred to
8 therein and all agreements regarding disputes under the master settlement
9 agreement. The secretary and the attorney general may share the
10 information specified under this subsection with any of the following:

11 (A) Federal, state or local agencies for the purposes of enforcement
12 of corresponding laws of other states; and

13 (B) a court, arbitrator, data clearinghouse or similar entity for the
14 purpose of assessing compliance with or making calculations required by
15 the master settlement agreement or agreements regarding disputes under
16 the master settlement agreement, and with counsel for the parties or expert
17 witnesses in any such proceeding, if the information otherwise remains
18 confidential; *and*

19 (20) *disclose taxpayer information that is received from income tax*
20 *returns to the department of commerce that may be disclosed pursuant*
21 **to the provisions of section 3, and amendments thereto,** *for the purpose*
22 *of including such information in the database required by section-43, and*
23 *amendments thereto.*

24 (c) Any person receiving any information under the provisions of
25 subsection (b) shall be subject to the confidentiality provisions of
26 subsection (a) and to the penalty provisions of subsection (d).

27 (d) Any violation of this section shall be a class A, nonperson
28 misdemeanor, and if the offender is an officer or employee of this state,
29 such officer or employee shall be dismissed from office. Reports of
30 violations of this paragraph shall be investigated by the attorney general.
31 The district attorney or county attorney and the attorney general shall have
32 authority to prosecute any violation of this section if the offender is a city
33 or county clerk or treasurer or finance officer of a city or county.

34 Sec. ~~3~~. 5. K.S.A. 2018 Supp. 79-3234 is hereby amended to read as
35 follows: 79-3234. (a) All reports and returns required by this act shall be
36 preserved for three years and thereafter until the director orders them to be
37 destroyed.

38 (b) Except in accordance with proper judicial order, or as provided in
39 subsection (c) or in K.S.A. 17-7511, ~~subsection (g) of K.S.A. 46-1106(g),~~
40 ~~K.S.A. 46-1114, or K.S.A. 79-32,153a,~~ and amendments thereto, it shall be
41 unlawful for the secretary, the director, any deputy, agent, clerk or other
42 officer, employee or former employee of the department of revenue or any
43 other state officer or employee or former state officer or employee to

1 divulge, or to make known in any way, the amount of income or any
2 particulars set forth or disclosed in any report, return, federal return or
3 federal return information required under this act; and it shall be unlawful
4 for the secretary, the director, any deputy, agent, clerk or other officer or
5 employee engaged in the administration of this act to engage in the
6 business or profession of tax accounting or to accept employment, with or
7 without consideration, from any person, firm or corporation for the
8 purpose, directly or indirectly, of preparing tax returns or reports required
9 by the laws of the state of Kansas, by any other state or by the United
10 States government, or to accept any employment for the purpose of
11 advising, preparing material or data, or the auditing of books or records to
12 be used in an effort to defeat or cancel any tax or part thereof that has been
13 assessed by the state of Kansas, any other state or by the United States
14 government.

15 (c) The secretary or the secretary's designee may: (1) Publish
16 statistics, so classified as to prevent the identification of particular reports
17 or returns and the items thereof;

18 (2) allow the inspection of returns by the attorney general or other
19 legal representatives of the state;

20 (3) provide the post auditor access to all income tax reports or returns
21 in accordance with and subject to the provisions of ~~subsection (g) of~~
22 K.S.A. 46-1106(g) or ~~K.S.A.~~ 46-1114, and amendments thereto;

23 (4) disclose taxpayer information from income tax returns to persons
24 or entities contracting with the secretary of revenue where the secretary
25 has determined disclosure of such information is essential for completion
26 of the contract and has taken appropriate steps to preserve confidentiality;

27 (5) disclose to the secretary of commerce the following: (A) Specific
28 taxpayer information related to financial information previously submitted
29 by the taxpayer to the secretary of commerce concerning or relevant to any
30 income tax credits, for purposes of verification of such information or
31 evaluating the effectiveness of any tax credit or economic incentive
32 program administered by the secretary of commerce; (B) the amount of
33 payroll withholding taxes an employer is retaining pursuant to K.S.A. 74-
34 50,212, and amendments thereto; (C) information received from
35 businesses completing the form required by K.S.A. 74-50,217, and
36 amendments thereto; and (D) findings related to a compliance audit
37 conducted by the department of revenue upon the request of the secretary
38 of commerce pursuant to K.S.A. 74-50,215, and amendments thereto;

39 (6) disclose income tax returns to the state gaming agency to be used
40 solely for the purpose of determining qualifications of licensees of and
41 applicants for licensure in tribal gaming. Any information received by the
42 state gaming agency shall be confidential and shall not be disclosed except
43 to the executive director, employees of the state gaming agency and

1 members and employees of the tribal gaming commission;

2 (7) disclose the taxpayer's name, last known address and residency
3 status to the Kansas department of wildlife, parks and tourism to be used
4 solely in its license fraud investigations;

5 (8) disclose the name, residence address, employer or Kansas
6 adjusted gross income of a taxpayer who may have a duty of support in a
7 title IV-D case to the secretary of the Kansas department for children and
8 families for use solely in administrative or judicial proceedings to
9 establish, modify or enforce such support obligation in a title IV-D case. In
10 addition to any other limits on use, such use shall be allowed only where
11 subject to a protective order which prohibits disclosure outside of the title
12 IV-D proceeding. As used in this section, "title IV-D case" means a case
13 being administered pursuant to part D of title IV of the federal social
14 security act, 42 U.S.C. § 651 et seq., and amendments thereto. Any person
15 receiving any information under the provisions of this subsection shall be
16 subject to the confidentiality provisions of subsection (b) and to the
17 penalty provisions of subsection (e);

18 (9) permit the commissioner of internal revenue of the United States,
19 or the proper official of any state imposing an income tax, or the
20 authorized representative of either, to inspect the income tax returns made
21 under this act and the secretary of revenue may make available or furnish
22 to the taxing officials of any other state or the commissioner of internal
23 revenue of the United States or other taxing officials of the federal
24 government, or their authorized representatives, information contained in
25 income tax reports or returns or any audit thereof or the report of any
26 investigation made with respect thereto, filed pursuant to the income tax
27 laws, as the secretary may consider proper, but such information shall not
28 be used for any other purpose than that of the administration of tax laws of
29 such state, the state of Kansas or of the United States;

30 (10) communicate to the executive director of the Kansas lottery
31 information as to whether a person, partnership or corporation is current in
32 the filing of all applicable tax returns and in the payment of all taxes,
33 interest and penalties to the state of Kansas, excluding items under formal
34 appeal, for the purpose of determining whether such person, partnership or
35 corporation is eligible to be selected as a lottery retailer;

36 (11) communicate to the executive director of the Kansas racing
37 commission as to whether a person, partnership or corporation has failed
38 to meet any tax obligation to the state of Kansas for the purpose of
39 determining whether such person, partnership or corporation is eligible for
40 a facility owner license or facility manager license pursuant to the Kansas
41 parimutuel racing act;

42 (12) provide such information to the executive director of the Kansas
43 public employees retirement system for the purpose of determining that

1 certain individuals' reported compensation is in compliance with the
2 Kansas public employees retirement act, K.S.A. 74-4901 et seq., and
3 amendments thereto;

4 (13) ~~(i)~~(A) provide taxpayer information of persons suspected of
5 violating K.S.A. 2018 Supp. 44-766, and amendments thereto, to the
6 secretary of labor or such secretary's designee for the purpose of
7 determining compliance by any person with the provisions of ~~subsection~~
8 ~~(i)(3)(D)~~ of K.S.A. 44-703(i)(3)(D) and K.S.A. 2018 Supp. 44-766, and
9 amendments thereto. The information to be provided shall include all
10 relevant information in the possession of the department of revenue
11 necessary for the secretary of labor to make a proper determination of
12 compliance with the provisions of ~~subsection (i)(3)(D)~~ of K.S.A. 44-703(i)
13 (3)(D) and K.S.A. 2018 Supp. 44-766, and amendments thereto, and to
14 calculate any unemployment contribution taxes due. Such information to
15 be provided by the department of revenue shall include, but not be limited
16 to, withholding tax and payroll information, the identity of any person that
17 has been or is currently being audited or investigated in connection with
18 the administration and enforcement of the withholding and declaration of
19 estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto, and the
20 results or status of such audit or investigation;

21 ~~(ii)~~(B) any person receiving tax information under the provisions of
22 this paragraph shall be subject to the same duty of confidentiality imposed
23 by law upon the personnel of the department of revenue and shall be
24 subject to any civil or criminal penalties imposed by law for violations of
25 such duty of confidentiality; and

26 ~~(iii)~~(C) each of the secretary of labor and the secretary of revenue
27 may adopt rules and regulations necessary to effect the provisions of this
28 paragraph;

29 (14) provide such information to the state treasurer for the sole
30 purpose of carrying out the provisions of K.S.A. 58-3934, and
31 amendments thereto. Such information shall be limited to current and prior
32 addresses of taxpayers or associated persons who may have knowledge as
33 to the location of an owner of unclaimed property. For the purposes of this
34 paragraph, "associated persons" includes spouses or dependents listed on
35 income tax returns; ~~and~~

36 (15) after receipt of information pursuant to subsection (f), forward
37 such information and provide the following reported Kansas individual
38 income tax information for each listed defendant, if available, to the state
39 board of indigents' defense services in an electronic format and in the
40 manner determined by the secretary: (A) The defendant's name; (B) social
41 security number; (C) Kansas adjusted gross income; (D) number of
42 exemptions claimed; and (E) the relevant tax year of such records. Any
43 social security number provided to the secretary and the state board of

1 indigents' defense services pursuant to this section shall remain
2 confidential; *and*

3 *(16) disclose taxpayer information that is received from income tax*
4 *returns to the department of commerce **that may be disclosed pursuant***
5 ***to the provisions of section 3, and amendments thereto,** for the purpose*
6 *of including such information in the database required by ~~section 3,~~ and*
7 *amendments thereto.*

8 (d) Any person receiving information under the provisions of
9 subsection (c) shall be subject to the confidentiality provisions of
10 subsection (b) and to the penalty provisions of subsection (e).

11 (e) Any violation of subsection (b) or (c) is a class A nonperson
12 misdemeanor and, if the offender is an officer or employee of the state,
13 such officer or employee shall be dismissed from office.

14 (f) For the purpose of determining whether a defendant is financially
15 able to employ legal counsel under the provisions of K.S.A. 22-4504, and
16 amendments thereto, in all felony cases with appointed counsel where the
17 defendant's social security number is accessible from the records of the
18 district court, the court shall electronically provide the defendant's name,
19 social security number, district court case number and county to the
20 secretary of revenue in the manner and format agreed to by the office of
21 judicial administration and the secretary.

22 (g) Nothing in this section shall be construed to allow disclosure of
23 the amount of income or any particulars set forth or disclosed in any
24 report, return, federal return or federal return information, where such
25 disclosure is prohibited by the federal internal revenue code as in effect on
26 September 1, 1996, and amendments thereto, related federal internal
27 revenue rules or regulations, or other federal law.

28 ~~Sec. 4.~~ 6. K.S.A. 2018 Supp. 75-5133 and 79-3234 are hereby
29 repealed.

30 ~~Sec. 5.~~ 7. This act shall take effect and be in force from and after its
31 publication in the statute book.