

Journal of the Senate

SIXTY-FIFTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Tuesday, April 30, 2024, 9:00 a.m.

The Senate was called to order by President Ty Masterson.

The roll was called with 40 senators present.

The President introduced Doug Henkle, to deliver the invocation:

Heavenly Father, Thank You for the tremendous blessing it is to come before Your throne this morning. As our work concludes, I ask again that You would give us peace. Peace, not necessarily the absence of conflict but rather Your presence, Jesus, which creates a stillness within us that is greater than what's going on around us.

Father, I pray that we would each be peacemakers. Peacemakers who release tension rather than intensify it, who seek solutions and find no delight in arguments. Peacemakers who calm the waters rather than trouble them, who generate more light than heat.

We have been reminded by the prophet Isaiah that "You will keep in perfect peace all who trust in You, all whose thoughts are fixed on You!" Father, I ask that we trust You and that You fix our thoughts on You, that we might experience Your perfect peace. I pray that You would cause a bond of common purpose to unite this body and that Your peace would be over the Kansas Senate.

Despite our high-tech world and efficient procedures, people remain the essential ingredient of life. Lord, I pray for friendly relations within this chamber. Cause each member of this body to think before they speak, aware that their words will not be overlooked or easily erased. Cause each Senator to address the closing issues of this session, to the best of their ability, in a diplomatic and honorable way.

I pray that all of these Senators, who You love dearly, would have confidence in You, that You are at work, that You are in full control and that You are in the midst of all that happens here. Because of that, dear Father, give them a sense of satisfaction and peace as they conclude this session. I pray that, as You have commanded us, we would love one another as You have loved us, despite differing views and approaches to the issues at hand.

I lift President Masterson, Vice President Wilborn, Majority Leader Alley and Minority Leader Sykes to You. Bless them with Your wisdom, Your knowledge and Your understanding as they lead this chamber, this session, to a beneficial resolution. In Jesus' Name, Amen.

The Pledge of Allegiance was led by President Masterson.

POINT OF PERSONAL PRIVILEGE

Senator Kerschen rose on a Point of Personal Privilege to deliver the following remarks: John Wayne once said "Talk low, talk slow and don't talk too much." That has been my motto while serving in the legislature. I am using that advice today as I say farewell to all of you. I would like to say thank you to Norene who has supported me and shared the work responsibility as I fulfilled the duties of this office. We are a team.

A special thanks to Judy Marks who I have worked with the last 14 years of my 16 years in office. She has always made the Kerschen team look good. Her work ethic is beyond measure. While I have had the opportunity to serve on various committees, serving on and chairing the Ag Committee will always be a highlight for me. I appreciate having that opportunity.

I have a short list of important people I would like to recognize and thank before I leave: God, for allowing me this journey, my family and my colleagues on both sides of the aisle, there are some special ones, and you know who you are, Senate leadership, friends across the rotunda, the Sergeant of Arms and security personnel, Corey and his staff, our great revisors and research staff, Chuck, Vernice, Kenny and all maintenance people who keep this beautiful building clean and operating, the page ladies, the many lobbyists who are now my friends, and last, but not least, the constituents of Senate District 26 who have allowed me the opportunity to represent them.

The following quote by former President George H. W. Bush I used in my campaign material and correspondence sums up my purpose for being here, "For we are given the power not to advance our own purpose, nor make a great show in the world, nor a name. There is but one just use of power, and it is to serve the people." I leave you now with this advise from and old Jim Croce song: "You don't tug on Superman's cape, You don't spit into the wind, You don't pull the mask off the old Lone Ranger," and you don't mess around with Boll Weevils. God bless you all!

INTRODUCTION AND CONSIDERATION OF SENATE RESOLUTIONS

Senator Steffen introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1758—

A RESOLUTION congratulating and commending the 2023-2024 Hutchinson Community College Women's Basketball Team for an outstanding season and for winning the National Junior College Athletic Association Division 1 Women's Basketball Championship.

WHEREAS, On April 1, 2024, the Hutchinson Community College women's basketball team won the National Junior College Athletic Association (NJCAA) Division 1 Championship by defeating Northwest Florida State 88-80; and

WHEREAS, The team finished with a perfect 37-0 season, setting school records for the longest win streak and the most single season wins in program history. The team also secured the 2023-2024 Kansas Jayhawk Community College Conference (KJCCC) title; and

WHEREAS, The team's roster was composed of Kahlen Norris, Peyton Mosley, Journey Armstead, Hailey Jackson, Akaysha Muggeridge, Madi Denison, Monae Duffy, Jada Pleasant, Bree Horyna, Brynn McCormick and Kiki Smith; and

WHEREAS, The KJCCC All-Conference Team included Kiki Smith, Journey Armstead, Monae Duffy, Hailey Jackson and Akaysha Muggeridge. Kiki Smith was named the KJCCC Freshman of the Year, Player of the Year, NJCAA Division 1 All-American and broke the program's freshman season scoring record; and

WHEREAS, Hailey Jackson and Journey Armstead made the NJCAA All-Tournament Team, and Kiki Smith was named NJCAA Tournament Most Valuable Player; and

WHEREAS, Head Coach John Ontjes is a native of Nickerson, Kansas, and has lead the Blue Dragons for 17 years. Coach Ontjes was named as KJCCC Coach of the Year and NJCAA Coach of the Tournament; and

WHEREAS, The coaching staff also includes 23-year assistant Travis Kirk from Haven, Kansas and 10-year assistant Phil Anderson from McPherson, Kansas; and

WHEREAS, Hutchinson needed three last-second free throws from Hailey Jackson to send the game into overtime, and in the team's first overtime game of the season, they secured the program's inaugural national championship: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend the Hutchinson Community College Women's Basketball Team for an outstanding season and winning the NJCAA Division 1 Women's Basketball Championship; and

Be it further resolved: That we recognize the Athletic Director Josh Gooch, Assistant Athletic Director Steve Kappenman, Sports Information Director Steve Carpenter, Coordinator of Events Billy Watson, Athletics Business Manager Julie Reneau, administrative staff, training staff, coaches and players for an historic 2023-2024 season; and

Be it further resolved: That the Secretary of the Senate shall send 15 enrolled copies of this resolution to Senator Steffen.

On emergency motion of Senator Steffen **SR 1758** was adopted by voice vote.

Senator Straub introduced the following Senate resolution, which was read:
SENATE RESOLUTION No. 1759—

A RESOLUTION congratulating and commending the 2023-2024
Barton Community College Men's Basketball Team for an outstanding
season and for winning the National Junior College Athletic Association
Division 1 Men's Basketball Championship.

WHEREAS, The National Junior College Athletic Association Division 1 Men's Basketball Championship Tournament (NJCAA) has been held in Hutchinson for 75 years. The prestigious tournament is primarily run by community volunteers, showcasing Hutchinson to college coaches, players, students and thousands of fans; and

WHEREAS, On March 30, 2024, the Barton Community College Men's Basketball Team won the NJCAA Division 1 Championship by defeating Triton College 88-73; and

WHEREAS, The team finished the season at 36-1 for the most wins in program history and captured the 2023-2024 Kansas Jayhawk Community College Conference (KJCCC) Championship; and

WHEREAS, Barton made its fifth NJCAA tournament appearance and became the first team since 2004 to win each of its tournament games by double digits. With their 27th consecutive win of the season, Barton secured its inaugural national championship;

and

WHEREAS, The team's roster was composed of Ring Malith, Mozae Downing-Rivers, Keandre Kindell, Brent Moss, Christian Bowen-Webb, Amiri Ndayisaba, Stefan Spray, Myles Thompson, Fawaz Surakat, Cooper Jackson, Lajae Jones, Aleng Bol, Bailey Milligan, Bralen Thompson and Fontaine Williams; and

WHEREAS, Head Coach Jeremy Coombs is a Kansas native who played basketball at Labette Community College and Kansas Wesleyan. The coaching staff, which includes Assistant Coaches Austin Downing and Tyson Downing, has compiled a record of 76-24 in three seasons at Barton. Coach Coombs was named the KJCCC Coach of the Year, the NJCAA Coach of the Tournament and the NJCAA Division 1 Men's Head Basketball Coach of the Year. Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend the Barton Community College Men's Basketball team for an outstanding season and winning the NJCAA Division 1 Men's Basketball Championship; and

Be it further resolved: That we recognize the Athletic Director Trevor Rolfs, Assistant Athletic Director Heather Panning, Sports Information Director Todd Moore, Auxiliary Services Manager Brandon Smith, administrative staff, training staff, coaches, players and President Heilman for an historic 2023-2024 season; and

Be it further resolved: That the Secretary of the Senate shall send three enrolled copies of this resolution to Senator Straub.

On emergency motion of Senator Straub **SR 1759** was adopted by voice vote.

MESSAGES FROM THE GOVERNOR

Enclosed herewith is Executive Directive No. 24-582 for your information. (April 26, 2024)

MESSAGES FROM THE HOUSE

The House adopts the Conference Committee report on **H Sub SB 172**.

The House adopts the Conference Committee report on **HB 2097**.

Announcing action by the House of Representatives regarding the Governor's line item vetoes on **Senate Bill 28**, AN ACT making and concerning appropriations for the fiscal years ending June 30, 2024, June 30, 2025, June 30, 2026, June 30, 2027, and June 30, 2028, for state agencies; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2023 Supp. 2-223, 12-1775a, 12-5256, 65-180, 74-50,107, 74-8711, 74-99b34, 75-6707, 76-775, 76-7,107, 79-2964, 79-3425i, 79-34,171 and 82a-955 and repealing the existing sections.

A motion was made that, notwithstanding the Governor's objection, the line item veto **Sections 29(b), 120(a) and 121(a)**. By a vote of 84 Yeas and 41 Nays, the motion having received the required two-thirds constitutional majority vote of the members elected or appointed to the House of Representatives, voting in the affirmative, the line item did pass.

A motion was made that, notwithstanding the Governor's objection, the line item veto **Section 35(a)**. By a vote of 86 Yeas and 39 Nays, the motion having received the required two-thirds constitutional majority vote of the members elected or appointed to the House of Representatives, voting in the affirmative, the line item did pass.

A motion was made that, notwithstanding the Governor's objection, the line item veto **Sections 83(dd) and 83(ee)**. By a vote of 116 Yeas and 9 Nays, the motion having received the required two-thirds constitutional majority vote of the members elected or appointed to the House of Representatives, voting in the affirmative, the line item did pass.

A motion was made that, notwithstanding the Governor's objection, the line item veto **Sections 112(a) and 116(a)**. By a vote of 97 Yeas and 28 Nays, the motion having received the required two-thirds constitutional majority vote of the members elected or appointed to the House of Representatives, voting in the affirmative, the line item did pass.

Announcing the action by the House of Representatives on **SB 473**, AN ACT concerning crimes, punishment and criminal procedure; relating to the Kansas code of criminal procedure; authorizing a notice to appear that meets certain requirements to serve as a lawful complaint; requiring a minimum appearance bond premium in district court; providing reasons for suspending or terminating authorization of a compensated surety; authorizing the chief judge of a judicial district to require a compensated surety to submit to a state and national criminal history record check; amending K.S.A. 22-2202, 22-2408 and 22-2809b and repealing the existing sections.

The veto message from the Governor having been received, a motion was made that notwithstanding the Governor's objection to **SB 473**, the bill be passed. By a vote of 87 Yeas and 38 Nays, the motion having received the required two-thirds constitutional majority of the members elected or appointed to the House of Representatives, voting in the affirmative, the bill passed.

Announcing the action by the House of Representatives on **H Sub SB 233**, AN ACT concerning children and minors; relating to healthcare of minors; enacting the forbidding abusive child transitions act; prohibiting healthcare providers from treating a child whose gender identity is inconsistent with the child's sex; authorizing a civil cause of action against healthcare providers for providing such treatments; restricting use of state funds to promote gender transitioning; prohibiting professional liability insurance from covering damages for healthcare providers that provide gender transition treatment to children; requiring professional discipline against a healthcare provider who performs such treatments; adding violation of the act to the definition of unprofessional conduct for physicians; amending K.S.A. 65-2837 and repealing the existing section.

The veto message from the Governor having been received, a motion was made that notwithstanding the Governor's objection to **H Sub SB 233**, the bill be passed. By a vote of 82 Yeas and 43 Nays, the motion not having received the required two-thirds constitutional majority of the members elected or appointed to the House of Representatives, voting in the affirmative, the bill did not pass and the veto was sustained.

The House announced the appointment of Representatives Smith, A, Bergkamp and Sawyer to replace Representatives Hoheisel, Clifford and Xu as conferees on **H Sub SB 37**.

The House adopts the Conference Committee report on **HB 2784**.

The House adopts the Conference Committee report on **H Sub SB 287**.

The House adopts the Conference Committee report to agree to disagree on **H Sub SB 37**, and has appointed Representatives Smith, A., Bergkamp and Sawyer as Second conferees on the part of the House.

The House adopts the Conference Committee report on **HB 2530**.

The House adopts the Conference Committee report to agree to disagree on **HB 2096**, and has appointed Representatives Smith, A., Bergkamp and Sawyer as Third conferees on the part of the House.

The House announced the appointment of Representatives Williams, K, Goetz and Ousley to replace Representatives Sutton, Penn and Neighbor as conferees on **SB 339**

The House adopts the Conference Committee report on **HB 2551**.

The House adopts the Conference Committee report on **HB 2531**.

The House adopts the Conference Committee report on **HB 2392**.

The House adopts the Conference Committee report on **S Sub HB 2047**.

The House adopts the Conference Committee report on **HB 2176**.

The House adopts the Conference Committee report on **SB 339**.

The House adopts the Conference Committee report on **SB 27**.

The House adopts the Conference Committee report on **H Sub SB 37**.

CONSIDERATION OF ORIGINAL MOTIONS

Senator Alley moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **SB 27; H Sub SB 37, H Sub SB 172; H Sub SB 287, H Sub SB 318; SB 339; S Sub HB 2047; HB 2392, HB 2530, HB 2531**.

CONSIDERATION OF MOTIONS TO CONCUR AND NONCONCUR

Senator Warren moved the Senate concur in House amendments to **H Sub SB 318**.

H Sub SB 318, AN ACT concerning crimes, punishment and criminal procedure; relating to presumptions; modifying the rules of evidence to provide rules for presumptions and inferences; replacing the rebuttable presumption of intent to distribute controlled substances with a permissive inference; amending K.S.A. 21-5705 and 60-416 and repealing the existing sections.

On roll call, the vote was: Yeas 39; Nays 0; Present and Passing 0; Absent or Not Voting 1.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Fransisco, Gossage, Haley, Holland, Holscher, Kerschen, Kloos, Masterson, McGinn, O'Shea, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Absent or Not Voting: Longbine.

The Senate concurred.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 27** submits the following report:

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

On page 1, by striking all in lines 11 through 36;

By striking all on pages 2 through 4;

On page 5, by striking all in lines 1 through 39; following line 39, by inserting:

"Section 1. On and after January 1, 2025, K.S.A. 9-2201, as amended by section 16 of 2024 Senate Bill No. 491, is hereby amended to read as follows: 9-2201. As used in this act:

- (a) "Act" means the Kansas mortgage business act.
- (b) "Amount financed" means the net amount of credit provided to the consumer or on the consumer's behalf. The amount financed shall be calculated as provided in rules and regulations adopted by the commissioner pursuant to K.S.A. 9-2209, and amendments thereto.
- (c) "Annual percentage rate" shall have the same meaning, be interpreted in the same manner and be calculated using the same methodology as prescribed by 15 U.S.C. § 1606.
- (d) "Applicant" means a person who has submitted an application for a license to engage in mortgage business or a person who has submitted an application for registration to conduct mortgage business in this state as a loan originator.
- ~~(b)~~(e) "Appraised value" means, with respect to any real estate at any time:
- (1) The total appraised value of the real estate, as reflected in the most recent records of the tax assessor of the county in which the real estate is located;
- (2) the fair market value of the real estate, as reflected in a written appraisal of the real estate performed by a Kansas licensed or certified appraiser within the past 12 months; or
- (3) in the case of a nonpurchase-money real estate transaction, the estimated market value as determined through a method acceptable to the commissioner. In determining the acceptability of the method, the commissioner shall consider the reliability and impartiality of the method under the circumstances. The commissioner may consider industry standards or customs. A method shall not be acceptable if the resulting value is predetermined or when the fee to be paid to the method provider is contingent upon the property valuation reached or upon the consequences resulting from the property valuation reached.
- (f) "Balloon payment" means any required payment that is more than twice as large as the average of all earlier scheduled payments.
- (g) "Branch office" means a place of business, other than a principal place of business, where the mortgage company maintains a physical location for the purpose of conducting mortgage business with the public.
- ~~(e)~~(h) "Closed-end covered transaction" means the same as in 12 C.F.R. 1026.2(a)(10).
- (i) "Closing costs" means:
- (1) The actual fees paid to a public official or agency of the state or federal government for filing, recording or releasing any instrument relating to the debt; and
- (2) bona fide and reasonable expenses incurred by the mortgage company in connection with the making, closing, disbursing, extending, readjusting or renewing the debt that are payable to third parties not related to the mortgage company. Reasonable fees for an appraisal made by the mortgage company or related party are permissible.
- (j) (1) "Code mortgage rate" means the greater of:
- (A) 12%; or
- (B) the sum of:
- (i) The required net yield published by the federal national mortgage association for 60-day mandatory delivery whole-loan commitments for 30-year fixed-rate mortgages

with actual remittance on the first day for which the required net yield was published in the previous month; and

(ii) 5%.

(2) If the reference rate referred to in clause (i)(1)(B)(i) is discontinued, becomes impractical to use, or is otherwise not readily ascertainable for any reason, the commissioner may designate a comparable replacement reference rate and, upon publishing notice of the same, such replacement reference rate shall become the reference rate referred to in clause (i)(1)(B)(i). The secretary of state shall publish notice of the code mortgage rate not later than the second issue of the Kansas register published each month.

(k) "Commissioner" means the state bank commissioner or designee, who shall be the deputy commissioner of the consumer and mortgage lending division of the office of the state bank commissioner.

~~(4)~~(l) "Consumer" means an individual to whom credit is offered or granted under this act.

(m) "Covered transaction" means a mortgage loan that:

(1) Is a subordinate mortgage;

(2) has a loan-to-value ratio at the time when made that exceeds 100%, except for any loan guaranteed by a federal government agency of the United States; or

(3) in the case of section 11 of 2024 House Bill No. 2247, and amendments thereto, the annual percentage rate of the loan exceeds the code mortgage rate.

(n) "Finance charge" means all charges payable directly or indirectly by the consumer and imposed directly or indirectly by the mortgage company as an incident to or as a condition of the extension of credit. The finance charge shall be calculated as provided in rules and regulations adopted by the commissioner pursuant to K.S.A. 9-2209, and amendments thereto.

(o) "Individual" means a human being.

~~(e)~~(p) "Insufficient payment method" means any instrument as defined in K.S.A. 84-3-104, and amendments thereto, drawn on any financial institution for the payment of money and delivered in payment, in whole or in part, of preexisting indebtedness of the drawer or maker, which is refused payment by the drawee because the drawer or maker does not have sufficient funds in or credits with the drawee to pay the amount of the instrument upon presentation.

(q) "Installment" means a periodic payment required or permitted by agreement in connection with a covered transaction.

(r) "License" means a license issued by the commissioner to engage in mortgage business as a mortgage company.

~~(f)~~(s) "Licensed mortgage company" means a mortgage company that has been licensed as required by this act.

(t) "Licensee" means a person who is licensed by the commissioner as a mortgage company.

~~(g)~~(u) "Loan originator" means an individual:

(1) Who engages in mortgage business on behalf of a single mortgage company;

(2) whose conduct of mortgage business is the responsibility of the licensee;

(3) who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or gain or in the expectation of compensation or gain; and

(4) whose job responsibilities include contact with borrowers during the loan origination process, which can include soliciting, negotiating, acquiring, arranging or making mortgage loans for others, obtaining personal or financial information, assisting with the preparation of mortgage loan applications or other documents, quoting loan rates or terms or providing required disclosures. It does not include any individual engaged solely as a loan processor or underwriter.

~~(h)~~(v) "Loan processor or underwriter" means an individual who performs clerical or support duties as an employee at the direction and subject to the supervision and instruction of a person registered or exempt from registration under this act.

(1) For purposes of this subsection, the term "clerical or support duties" may include subsequent to the receipt of a mortgage loan application:

(A) The receipt, collection, distribution and analysis of information common for the processing or underwriting of a residential mortgage loan; and

(B) communicating with a consumer to obtain the information necessary for the processing or underwriting of a loan, to the extent that such communication does not include offering or negotiating loan rates or terms or counseling consumers about residential mortgage loan rates or terms.

(2) An individual engaging solely in loan processor or underwriter activities shall not represent to the public, through advertising or other means of communicating or providing information including the use of business cards, stationery, brochures, signs, rate lists or other promotional items, that such individual can or will perform any of the activities of a loan originator.

~~(i)~~(w) "Loan-to-value ratio" means a fraction expressed as a percentage at any time:

(1) The numerator of which is the aggregate unpaid principal balance of all loans secured by a mortgage; and

(2) the denominator of which is the appraised value of the real estate.

~~(j)~~(x) "Mortgage business" means engaging in, or holding out to the public as willing to engage in, for compensation or gain, or in the expectation of compensation or gain, directly or indirectly, the business of making, originating, servicing, soliciting, placing, negotiating, acquiring, selling, arranging for others, or holding the rights to or offering to solicit, place, negotiate, acquire, sell or arrange for others, mortgage loans in the primary market.

~~(k)~~(y) "Mortgage company" means a person engaged in mortgage business.

~~(l)~~(z) "Mortgage loan" means a loan or agreement to extend credit made to one or more ~~individuals~~ persons which is secured by a first or subordinate mortgage, deed of trust, contract for deed or other similar instrument or document representing a security interest or lien, except as provided for in K.S.A. 60-1101 through 60-1110, and amendments thereto, upon any lot intended for residential purposes or a one-to-four family dwelling as defined in 15 U.S.C. § 1602(w), located in this state, occupied or intended to be occupied for residential purposes by the owner, including the renewal or refinancing of any such loan.

~~(m)~~(aa) "Mortgage loan application" means the submission of a consumer's financial information, including, but not limited to, the consumer's name, income and social security number, to obtain a credit report, the property address, an estimate of the value of the property and the mortgage loan amount sought for the purpose of obtaining an extension of credit.

~~(n)~~(bb) "Mortgage servicer" means any person engaged in mortgage servicing.

~~(n)~~(cc) "Mortgage servicing" means collecting payment, remitting payment for another or the right to collect or remit payment of any of the following: Principal; interest; tax; insurance; or other payment under a mortgage loan.

~~(o)~~(dd) "Nationwide mortgage licensing system and registry" means a mortgage licensing system developed and maintained by the conference of state bank supervisors and the American association of residential mortgage regulators for the licensing and registration of mortgage loan originators.

~~(p)~~(ee) "Not-for-profit" means a business entity that is granted tax exempt status by the internal revenue service.

~~(q)~~(ff) "Open-end covered transaction" means a covered transaction in which a mortgage company:

- (1) Reasonably contemplates repeated transactions;
- (2) may impose a finance charge from time to time on an outstanding unpaid balance; and
- (3) extends an amount of credit to the consumer during the term of the mortgage loan, up to any set limit, that is generally made available to the extent that any outstanding balance is repaid.

~~(r)~~(gg) "Person" means any individual, sole proprietorship, corporation, partnership, trust, association, joint venture, pool syndicate, unincorporated organization or other form of entity, however organized.

~~(s)~~(hh) "Prepaid finance charge" means any finance charge paid separately before or at consummation of a transaction or withheld from the proceeds of the credit at any time.

~~(t)~~(ii) "Principal" of a mortgage loan means the total of the amount financed and the prepaid finance charges, except that prepaid finance charges are not added to the amount financed to the extent such prepaid finance charges are paid separately by the consumer.

~~(u)~~(jj) "Primary market" means the market wherein mortgage business is conducted including activities conducted by any person who assumes or accepts any mortgage business responsibilities of the original parties to the transaction.

~~(v)~~(kk) "Principal place of business" means a place of business where mortgage business is conducted, which has been designated by a licensee as the primary headquarters from which all mortgage business and administrative activities are managed and directed.

~~(w)~~(ll) "Promotional items" means pens, pencils, hats and other such novelty items.

~~(x)~~(mm) "Registrant" means any individual who holds a valid registration to conduct mortgage business in this state as a loan originator on behalf of a licensed mortgage company.

~~(y)~~(nn) "Related" with respect to a person means:

- (1) A person directly or indirectly controlling, controlled by or under common control of another person;
- (2) an officer or director employed by the person performing similar functions with another person;
- (3) a relative by blood, adoption or marriage of a person within the fourth degree of relationship; or
- (4) an individual who shares the same home with such person.

~~(z)~~(oo) "Remote location" means a location other than the principal place of business

or a branch office where a licensed mortgage company's employee or independent contractor is authorized by such company to engage in mortgage business. A remote location is not considered a branch office.

(*)(pp) "Unique identifier" means a number or other identifier assigned by protocols established by the nationwide mortgage licensing system and registry.

Sec. 2. On and after January 1, 2025, K.S.A. 9-2209, as amended by section 17 of 2024 Senate Bill No. 491, is hereby amended to read as follows: 9-2209. (a) The commissioner may exercise the following powers:

(1) Adopt rules and regulations as necessary to carry out the intent and purpose of this act and to implement the requirements of applicable federal law;

(2) make investigations and examinations of the licensee's or registrant's operations, books and records as the commissioner deems necessary for the protection of the public and control access to any documents and records of the licensee or registrant under examination or investigation;

(3) charge reasonable costs of investigation, examination and administration of this act, to be paid by the applicant, licensee or registrant. The commissioner shall establish such fees in such amounts as the commissioner may determine to be sufficient to meet the budget requirements of the commissioner for each fiscal year. Charges for administration of this act shall be based on the licensee's loan volume;

(4) order any licensee or registrant to cease any activity or practice that the commissioner deems to be deceptive, dishonest, violative of state or federal law or unduly harmful to the interests of the public;

(5) exchange any information regarding the administration of this act with any agency of the United States or any state that regulates the licensee or registrant or administers statutes, rules and regulations or programs related to mortgage business and to enter into information sharing arrangements with other governmental agencies or associations representing governmental agencies that are deemed necessary or beneficial to the administration of this act;

(6) disclose to any person or entity that an applicant's, licensee's or registrant's application, license or registration has been denied, suspended, revoked or refused renewal;

(7) require or permit any person to file a written statement, under oath or otherwise as the commissioner may direct, setting forth all the facts and circumstances concerning any apparent violation of this act; or any rule and regulation promulgated thereunder or any order issued pursuant to this act;

(8) receive, as a condition in settlement of any investigation or examination, a payment designated for consumer education to be expended for such purpose as directed by the commissioner;

(9) require that any applicant, registrant, licensee or other person successfully passes a standardized examination designed to establish such person's knowledge of mortgage business transactions and all applicable state and federal law. Such examinations shall be created and administered by the commissioner or the commissioner's designee, and may be made a condition of application approval or application renewal;

(10) require that any applicant, licensee, registrant or other person complete a minimum number of prelicensing education hours and complete continuing education hours on an annual basis. Prelicensing and continuing education courses shall be

approved by the commissioner, or the commissioner's designee, and may be made a condition of application approval and renewal;

(11) require fingerprinting of any applicant, registrant or licensee in accordance with section 2 of 2024 Senate Bill No. 491, and amendments thereto. For the purposes of this section and in order to reduce the points of contact that the federal bureau of investigation may have to maintain with the individual states, the commissioner may use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to the department of justice or any governmental agency;

(12) refer such evidence as may be available concerning any violation of this act or of any rule and regulation or order hereunder to the attorney general, or in consultation with the attorney general to the proper county or district attorney, who may in such prosecutor's discretion, with or without such a referral, institute the appropriate criminal proceedings under the laws of this state;

(13) issue and apply to enforce subpoenas in this state at the request of a comparable official of another state if the activities constituting an alleged violation for which the information is sought would be a violation of the Kansas mortgage business act if the activities had occurred in this state;

(14) use the nationwide mortgage licensing system and registry as a channeling agent for requesting and distributing any information regarding loan originator registration or mortgage company licensing to and from any source so directed by the commissioner;

(15) establish relationships or contracts with the nationwide mortgage licensing system and registry or other entities to collect and maintain records and process transaction fees or other fees related to applicants, licensees, registrants or other persons subject to this act and to take such other actions as may be reasonably necessary to participate in the nationwide mortgage licensing system and registry. The commissioner shall regularly report ~~violations of law, as well as~~ enforcement actions and other relevant information to the nationwide mortgage licensing system and registry;

(16) require any licensee or registrant to file reports with the nationwide mortgage licensing system and registry in the form prescribed by the commissioner or the commissioner's designee;

(17) receive and act on complaints, take action designed to obtain voluntary compliance with the provisions of the Kansas mortgage business act or commence proceedings on the commissioner's own initiative;

(18) provide guidance to persons and groups on their rights and duties under the Kansas mortgage business act;

(19) enter into any informal agreement with any mortgage company for a plan of action to address violations of law. The adoption of an informal agreement authorized by this paragraph shall not be subject to the provisions of K.S.A. 77-501 et seq., and amendments thereto, or K.S.A. 77-601 et seq., and amendments thereto. Any informal agreement authorized by this paragraph shall not be considered an order or other agency action, and shall be considered confidential examination material pursuant to K.S.A. 9-2217, and amendments thereto. All such examination material shall also be confidential by law and privileged, shall not be subject to the open records act, K.S.A. 45-215 et seq., and amendments thereto, shall not be subject to subpoena and shall not be subject to discovery or admissible in evidence in any private civil action; and

(20) issue, amend and revoke written administrative guidance documents in accordance with the applicable provisions of the ~~Kansas administrative procedure rules and regulations filing act.~~

(b) For the purpose of any examination, investigation or proceeding under this act, the commissioner or any officer designated by the commissioner may administer oaths and affirmations, subpoena witnesses, compel such witnesses' attendance, adduce evidence and require the production of any matter that is relevant to the examination or investigation, including the existence, description, nature, custody, condition and location of any books, documents or other tangible things and the identity and location of persons having knowledge of relevant facts, or any other matter reasonably calculated to lead to the discovery of relevant information or items.

(c) In case of contumacy by, or refusal to obey a subpoena issued to any person, any court of competent jurisdiction, upon application by the commissioner, may issue to that person an order requiring the person to appear before the commissioner, or the officer designated by the commissioner, there, to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Any failure to obey the order of the court may be punished by the court as a contempt of court.

(d) No person is excused from attending and testifying or from producing any document or record before the commissioner or in obedience to the subpoena of the commissioner or any officer designated by the commissioner or in any proceeding instituted by the commissioner, on the ground that the testimony or evidence, documentary or otherwise, required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture. No individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which such person is compelled, after claiming privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(e) Except for refund of an excess charge, no liability is imposed under the Kansas mortgage business act for an act done or omitted in conformity with a rule and regulation or written administrative ~~interpretation~~ guidance document of the commissioner in effect at the time of the act or omission, notwithstanding that after the act or omission, the rule and regulation or written administrative interpretation may be determined by judicial or other authority to be invalid for any reason.

(f) The grant of powers to the commissioner in this article does not affect remedies available to consumers under K.S.A. 9-2201 et seq., and amendments thereto, or under other principles of law or equity.

Sec. 3. On and after January 1, 2025, K.S.A. 16a-6-104, as amended by section 22 of 2024 Senate Bill No. 491, is hereby amended to read as follows: 16a-6-104. ~~This act shall be administered by the deputy commissioner for consumer and mortgage lending who is also referred to as the administrator.~~

(1) In addition to other powers granted by this act, the administrator ~~within the limitations provided by law~~ may:

(a) Receive and act on complaints, take action designed to obtain voluntary compliance with the provisions of K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto, or commence proceedings on the administrator's own initiative;

(b) ~~counsel~~ provide guidance to persons and groups on their rights and duties under K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto;

(c) establish or support programs for the education of consumers with respect to credit practices ~~and problems and~~;

(A) As a condition in settlements of investigations or examinations, the administrator may receive ~~require~~ a payment designated for consumer education to be expended as directed by the administrator for such purpose; and

(B) the administrator may fund consumer education programs from operating funds in an amount up to 1% of operating funds;

(d) make studies appropriate to effectuate the purposes and policies of K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto;

(e) adopt, amend and revoke rules and regulations to carry out the specific provisions of K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto, ~~and to implement the requirements of the secure and fair enforcement for mortgage licensing act of 2008 (P.L. 110-289)~~;

(f) issue, amend and revoke written administrative interpretations. ~~Such written administrative interpretations shall be approved by the attorney general and published in the Kansas register within 15 days of issuance. The administrator shall annually publish all written administrative interpretations in effect;~~

(g) maintain offices within this state;

(h) ~~appoint any necessary attorneys, hearing examiners, clerks, and other employees and agents and fix their~~ set such employees' compensation, and authorize attorneys appointed under this section to appear for and represent the administrator in court;

(i) examine periodically at intervals the administrator deems appropriate the loans, business and records of every licensee, ~~registrant or person filing notification pursuant to K.S.A. 16a-6-201 through 16a-6-203, and amendments thereto or consumer credit filer~~, except licensees ~~which that~~ are supervised financial organizations. The official or agency responsible for the supervision of each supervised financial organization shall examine the loans, business and records of each such organization in the manner and periodically at intervals prescribed by the administrator. In addition, for the purpose of discovering violations of K.S.A. 16a-1-101 ~~through 16a-9-102 et seq.~~, and amendments thereto, or securing information lawfully required, the administrator or the official or agency to whose supervision the organization is subject to K.S.A. 16a-6-105, and amendments thereto, may at any time investigate the loans, business and records of any supervised lender. For examination purposes the administrator shall have free and reasonable access to the offices, places of business and records of the ~~lender, registrant or person filing notification licensee or consumer credit filer~~ and the administrator may control access to any documents and records of a licensee, ~~registrant or person filing notification under examination or consumer credit filer~~;

(j) refer such evidence as may be available concerning violations of this act or of any rule and regulation or order to the attorney general or in consultation with the attorney general to the proper county or district attorney, who may in the prosecutor's discretion, with or without such a ~~reference~~ referral, institute the appropriate criminal proceedings under this act. Upon receipt of such reference, the attorney general or the county attorney or district attorney may request that a duly employed attorney of the administrator prosecute or assist in the prosecution of such violation on behalf of the

state. Upon approval of the administrator, such employee shall be appointed special prosecutor for the attorney general or the county attorney or district attorney to serve without compensation from the attorney general or the county attorney or district attorney. Such special prosecutor shall have all the powers and duties prescribed by law for assistant attorneys general or assistant county or district attorneys, and such other powers and duties as are lawfully delegated to such special prosecutors by the attorney general or the county attorney or district attorney the laws of this state;

(k) if deemed necessary by the administrator, require fingerprinting of any applicant in accordance with section 2 of 2024 Senate Bill No. 491, and amendments thereto. For purposes of this section and in order to reduce the points of contact which the federal bureau of investigation may have to maintain with the individual states, the administrator may use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to the department of justice or any governmental agency. As used in this paragraph, "applicant" means a licensee, a member of a licensee if such licensee is a copartnership or association, an officer or director if such licensee is a corporation or an agent or other person acting on behalf of a licensee;

(l) exchange information regarding the administration of this act with any agency of the United States or any state which regulates the licensee, ~~registrant or person required to file notification~~, or consumer credit filer who administers statutes, rules and regulations or other programs related to consumer credit and to enter into information sharing arrangements with other governmental agencies or associations representing governmental agencies which are deemed necessary or beneficial to the administration of this act;

(m) ~~require that any applicant, licensee, registrant or other person complete a minimum number of prelicensing education hours and complete continuing education hours on an annual basis. Prelicensing and continuing education courses shall be approved by the administrator or the administrator's designee and may be made a condition of the application approval and renewal;~~

(n) ~~require that any applicant, licensee, registrant or other person successfully pass a standardized examination designed to establish such person's knowledge of residential mortgage loan origination transactions and all applicable state and federal law. Such examinations shall be created and administered by the administrator or the administrator's designee and may be made a condition of application approval;~~

(o) use the nationwide mortgage licensing system and registry as a channeling agent for requesting and distributing any information regarding ~~residential mortgage loan originator registration~~ or supervised lender licensing to and from any source so directed by the administrator;

~~(p)(n) establish relationships or contracts with the nationwide mortgage licensing system and registry or other entities to collect and maintain records and process transaction fees or other fees related to applicants, licensees, registrants or other persons subject to the act and to take such other actions as may be reasonably necessary to participate in the nationwide mortgage licensing system and registry. The administrator shall regularly report violations of law, as well as enforcement actions and other relevant information, to the nationwide mortgage licensing system and registry, and make publicly available the proposed budget, fees, and audited financial statements of the nationwide mortgage licensing system and registry as may be prepared by the~~

nationwide mortgage licensing system and registry and provided to the administrator;

~~(q) require that any residential mortgage loan originator applicant, registrant or other person successfully pass a standardized examination designed to establish such person's knowledge of mortgage transactions and all applicable state and federal law. Such examinations shall be created and administered by the administrator or the administrator's designee, and may be made a condition of application approval or application renewal;~~

~~(r) require that any mortgage loan originator applicant, registrant or other person complete a minimum number of prelicensing education hours and complete continuing education hours on an annual or biannual basis. Prelicensing and continuing education courses shall be approved by the administrator or the administrator's designee and may be made a condition of application approval and renewal; and~~

~~(s)(o) require any licensee or registrant to file reports with the nationwide mortgage licensing system and registry in the form prescribed by the administrator or the administrator's designee.~~

(2) The administrator shall enforce the provisions of this act and the rules and regulations and interpretations adopted thereunder with respect to a creditor, unless the creditor's compliance is regulated exclusively or primarily by another state or federal agency.

(3) To keep the administrator's rules and regulations in harmony with the rules of administrators in other jurisdictions ~~which enact the revised uniform consumer credit code~~, the administrator, so far as is consistent with the purposes, policies and provisions of K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto, may:

(a) Before adopting, amending and revoking rules and regulations, advise and consult with administrators in other jurisdictions ~~which enact the uniform consumer credit code~~; and

(b) in adopting, amending and revoking rules and regulations, take into consideration the rules of administrators in other jurisdictions ~~which enact the revised uniform consumer credit code~~.

(4) Except for refund of an excess charge, no liability is imposed under K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto, for an act done or omitted in conformity with a rule and regulation or written administrative interpretation of the administrator in effect at the time of the act or omission notwithstanding that after the act or omission the rule and regulation or written administrative interpretation may be determined by judicial or other authority to be invalid for any reason.

(5) The administrator prior to December 1 of each year shall establish such fees as are authorized under the provisions of K.S.A. 16a-1-101 ~~to 16a-9-102, inclusive et seq.~~, and amendments thereto, for the ensuing calendar year in such amounts as the administrator may determine to be sufficient to meet the budget requirements of the administrator for each fiscal year.

Sec. 4. K.S.A. 17-12a412, as amended by section 1 of 2024 Senate Bill No. 405, is hereby amended to read as follows: 17-12a412. (a) *Disciplinary conditions—applicants.* An order issued under this act may deny an application, or may condition or limit registration of an applicant to be a broker-dealer, agent, investment adviser, or investment adviser representative if the administrator finds that the order is in the public interest and that there is a ground for discipline under subsection (d) against the applicant or, if the applicant is a broker-dealer or investment adviser, against any

partner, officer, director, person having a similar status or performing similar functions, or person directly or indirectly controlling the broker-dealer or investment adviser.

(b) *Disciplinary conditions — registrants.* An order issued under this act may revoke, suspend, condition, or limit the registration of a registrant if the administrator finds that the order is in the public interest and that there is a ground for discipline under subsection (d) against the registrant or, if the registrant is a broker-dealer or investment adviser, against any partner, officer, or director, any person having a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser. However, the administrator:

(1) May not institute a revocation or suspension proceeding under this subsection based on an order issued by another state that is reported to the administrator or designee later than one year after the date of the order on which it is based; and

(2) under subsection (d)(5)(A) and (d)(5)(B), may not issue an order on the basis of an order under the state securities act of another state unless the other order was based on conduct for which subsection (d) would authorize the action had the conduct occurred in this state.

(c) *Disciplinary penalties — registrants.* If the administrator finds that the order is in the public interest and that there is a ground for discipline under subsection (d)(1) through (d)(6), (d)(8), (d)(9), (d)(10), (d)(12) or (d)(13) against a registrant or, if the registrant is a broker-dealer or investment adviser, against any partner, officer, or director, any person having similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser, then the administrator may enter an order against the registrant containing one or more of the following sanctions or remedies:

(1) A censure;

(2) a bar or suspension from association with a broker-dealer or investment adviser registered in this state;

(3) a civil penalty up to \$25,000 for each violation. If any person is found to have violated any provision of this act, and such violation is committed against elder or disabled persons, as defined in K.S.A. 50-676, and amendments thereto, in addition to any civil penalty otherwise provided by law, the administrator may impose an additional penalty not to exceed \$15,000 for each such violation. The total penalty against a person shall not exceed \$1,000,000;

(4) an order requiring the registrant to pay restitution for any loss or disgorge any profits arising from a violation, including, in the administrator's discretion, the assessment of interest from the date of the violation at the rate provided for interest on judgments by K.S.A. 16-204, and amendments thereto;

(5) an order charging the registrant with the actual cost of an investigation or proceeding; or

(6) an order requiring the registrant to cease and desist from any action that constitutes a ground for discipline, or to take other action necessary or appropriate to comply with this act.

(d) *Grounds for discipline.* A person may be disciplined under subsections (a) through (c) if the person:

(1) Has filed an application for registration in this state under this act or the predecessor act within the previous 10 years, which, as of the effective date of registration or as of any date after filing in the case of an order denying effectiveness,

was incomplete in any material respect or contained a statement that, in light of the circumstances under which it was made, was false or misleading with respect to a material fact;

(2) willfully violated or willfully failed to comply with this act or the predecessor act or a rule adopted or order issued under this act or the predecessor act within the previous 10 years;

(3) has been convicted of a felony or within the previous 10 years has been convicted of a misdemeanor involving a security, a commodity future or option contract, or an aspect of a business involving securities, commodities, investments, franchises, insurance, banking; or finance;

(4) is enjoined or restrained by a court of competent jurisdiction in an action instituted by the administrator under this act or the predecessor act, a state, the securities and exchange commission, or the United States from engaging in or continuing an act, practice, or course of business involving an aspect of a business involving securities, commodities, investments, franchises, insurance, banking; or finance;

(5) is the subject of an order, issued after notice and opportunity for hearing by:

(A) The securities, depository institution, insurance; or other financial services regulator of a state or by the securities and exchange commission or other federal agency denying, revoking, barring; or suspending registration as a broker-dealer, agent, investment adviser, federal covered investment adviser, or investment adviser representative;

(B) the securities regulator of a state or by the securities and exchange commission against a broker-dealer, agent, investment adviser, investment adviser representative; or federal covered investment adviser;

(C) the securities and exchange commission or by a self-regulatory organization suspending or expelling the registrant from membership in the self-regulatory organization;

(D) a court adjudicating a United States postal service fraud order;

(E) the insurance regulator of a state denying, suspending, or revoking the registration of an insurance agent; or

(F) a depository institution regulator suspending or barring a person from the depository institution business;

(6) is the subject of an adjudication or determination, after notice and opportunity for hearing, by the securities and exchange commission, the commodity futures trading commission, the federal trade commission, a federal depository institution regulator, or a depository institution, insurance; or other financial services regulator of a state that the person willfully violated the securities act of 1933, the securities exchange act of 1934, the investment advisers act of 1940, the investment company act of 1940, or the commodity exchange act, the securities or commodities law of a state; or a federal or state law under which a business involving investments, franchises, insurance, banking; or finance is regulated;

(7) is insolvent, either because the person's liabilities exceed the person's assets or because the person cannot meet the person's obligations as they mature, but the administrator may not enter an order against an applicant or registrant under this paragraph without a finding of insolvency as to the applicant or registrant;

(8) refuses to allow or otherwise impedes the administrator from conducting an

audit or inspection under K.S.A. 17-12a411(d), and amendments thereto, refuses access to a registrant's office to conduct an audit or inspection under K.S.A. 17-12a411(d), and amendments thereto, fails to keep or maintain sufficient records to permit an audit disclosing the condition of the registrant's business; or fails willfully and without cause to comply with a request for information by the administrator or person designated by the administrator in conducting investigations or examinations under this act;

(9) has failed to reasonably supervise an agent, investment adviser representative, or other individual, if the agent, investment adviser representative, or other individual was subject to the person's supervision and committed a violation of this act or the predecessor act or a rule adopted or order issued under this act or the predecessor act within the previous 10 years;

(10) has not paid the proper filing fee within 30 days after having been notified by the administrator of a deficiency, but the administrator shall vacate an order under this paragraph when the deficiency is corrected;

(11) after notice and opportunity for a hearing, has been found within the previous 10 years:

(A) By a court of competent jurisdiction to have willfully violated the laws of a foreign jurisdiction under which the business of securities, commodities, investment, franchises, insurance, banking; or finance is regulated;

(B) to have been the subject of an order of a securities regulator of a foreign jurisdiction denying, revoking; or suspending the right to engage in the business of securities as a broker-dealer, agent, investment adviser, investment adviser representative; or similar person; or

(C) to have been suspended or expelled from membership by or participation in a securities exchange or securities association operating under the securities laws of a foreign jurisdiction;

(12) is the subject of a cease and desist order issued by the securities and exchange commission or issued under the securities, commodities, investment, franchise, banking, finance, or insurance laws of a state;

(13) has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous 10 years;

(14) is not qualified on the basis of factors such as training, experience; and knowledge of the securities business. However, in the case of an application by an agent for a broker-dealer that is a member of a self-regulatory organization or by an individual for registration as an investment adviser representative, a denial order may not be based on this paragraph if the individual has successfully completed all examinations required by subsection (e). The administrator may require an applicant for registration under K.S.A. 17-12a402 or 17-12a404, and amendments thereto, who has not been registered in a state within the two years preceding the filing of an application in this state to successfully complete an examination; ~~or~~

(15) lacks sufficient character or reputation to warrant the public trust; or

(16) was required to report information under the protect vulnerable adults from financial exploitation act and knowingly failed to make such a report or knowingly caused such report not to be made within the previous 10 years.

(e) *Examinations.* A rule adopted or order issued under this act may require that an examination, including an examination developed or approved by an organization of

securities regulators, be successfully completed by a class of individuals or all individuals. An order issued under this act may waive, in whole or in part, an examination as to an individual and a rule adopted under this act may waive, in whole or in part, an examination as to a class of individuals if the administrator determines that the examination is not necessary or appropriate in the public interest and for the protection of investors.

(f) *Summary process.* In accordance with the Kansas administrative ~~procedures~~ procedure act, the administrator may use summary or emergency proceedings to suspend or deny an application; restrict, condition, limit, or suspend a registration; or censure, bar, or impose a civil penalty or cease and desist order on a registrant before final determination of an administrative proceeding. If a hearing is not requested and none is ordered by the administrator within 30 days after the date of service of the order, the order becomes final by operation of law. If a hearing is requested or ordered, the administrator, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate the order or extend the order until final determination.

(g) *Procedural requirements.* (1) An order issued may not be issued under this section, except under subsection (f), without:

- (A) Appropriate notice to the applicant or registrant;
- (B) opportunity for hearing; and
- (C) findings of fact and conclusions of law in a record.

(2) Proceedings under this subsection shall be conducted in accordance with the Kansas administrative ~~procedures~~ procedure act.

(h) *Control person liability.* A person that controls, directly or indirectly, a person subject to discipline under subsection (d) may be disciplined by order of the administrator under subsections (a) through (c) to the same extent as the noncomplying person, unless the controlling person did not know, and in the exercise of reasonable care could not have known, of the existence of the conduct that is a ground for discipline under this section.

(i) *Limit on investigation or proceeding.* The administrator may not institute a proceeding under subsection (a), (b) or (c) based solely on material facts actually known by the administrator unless an investigation or the proceeding is instituted within one year after the administrator actually acquires knowledge of the material facts.

Sec. 5. K.S.A. 2023 Supp. 38-2203, as amended by section 3 of 2024 House Bill No. 2536, is hereby amended to read as follows: 38-2203. (a) Proceedings concerning any child who may be a child in need of care shall be governed by this code, except in those instances when the court knows or has reason to know that an Indian child is involved in the proceeding, in which case, the Indian child welfare act of 1978, 25 U.S.C. § 1901 et seq., applies. The Indian child welfare act may apply to: The filing to initiate a child in need of care proceeding, K.S.A. 38-2234, and amendments thereto; ex parte custody orders, K.S.A. 38-2242, and amendments thereto; temporary custody hearing, K.S.A. 38-2243, and amendments thereto; adjudication, K.S.A. 38-2247, and amendments thereto; burden of proof, K.S.A. 38-2250, and amendments thereto; disposition, K.S.A. 38-2255, and amendments thereto; permanency hearings, K.S.A. 38-2264, and amendments thereto; termination of parental rights, K.S.A. 38-2267, 38-2268 and 38-2269, and amendments thereto; establishment of permanent custodianship, K.S.A. 38-2268 and 38-2272, and amendments thereto; establishment of SOUL family legal permanency, section 1 of 2024 House Bill No. 2536, and amendments thereto; the

newborn infant protection act, K.S.A. 38-2282, and amendments thereto; the Representative Gail Finney memorial foster care bill of rights, K.S.A. 2023 Supp. 38-2201a, and amendments thereto; the placement of a child in any foster, pre-adoptive and adoptive home and the placement of a child in a guardianship arrangement under article 30 of chapter 59 of the Kansas Statutes Annotated, and amendments thereto.

(b) Subject to the uniform child custody jurisdiction and enforcement act, K.S.A. 23-37,101 through 23-37,405, and amendments thereto, the district court shall have original jurisdiction of proceedings pursuant to this code.

(c) The court acquires jurisdiction over a child by the filing of a petition pursuant to this code or upon issuance of an ex parte order pursuant to K.S.A. 38-2242, and amendments thereto. When the court acquires jurisdiction over a child in need of care, jurisdiction may continue until the child has:

(1) Become 18 years of age, or until June 1 of the school year during which the child became 18 years of age if the child is still attending high school unless there is no court approved transition plan, in which event jurisdiction may continue until a transition plan is approved by the court or until the child reaches the age of 21 years of age;

(2) been adopted;

(3) SOUL family legal permanency as ordered by the court pursuant to section 1 of 2024 House Bill No. 2536, and amendments thereto, and such jurisdiction may continue until the child has reached 18 years of age, or until June 1 of the school year during which the child reached 18 years of age if the child is still attending high school; or

(4) been discharged by the court.

(d) Any child 18 years of age or over may request, in writing to the court, that the jurisdiction of the court cease. The court shall give notice of the request to all parties and interested parties and 30 days after receipt of the request, jurisdiction will cease.

(e) When it is no longer appropriate for the court to exercise jurisdiction over a child, the court, upon its own motion or the motion of a party or interested party at a hearing or upon agreement of all parties or interested parties, shall enter an order discharging the child. Except upon request of the child pursuant to subsection (d), the court shall not enter an order discharging a child until June 1 of the school year during which the child becomes 18 years of age if the child is in an out-of-home placement, is still attending high school and has not completed the child's high school education.

(f) When a petition is filed under this code, a person who is alleged to be under 18 years of age shall be presumed to be under that age for the purposes of this code, unless the contrary is proved.

(g) A court's order issued in a proceeding pursuant to this code, shall take precedence over such orders in a civil custody case, a proceeding under article 31 of chapter 60 of the Kansas Statutes Annotated, and amendments thereto, protection from abuse act, or a comparable case in another jurisdiction, except as provided by K.S.A. 23-37,101 through 23-37,405, and amendments thereto, uniform child custody jurisdiction and enforcement act.

(h) If a child is eligible to receive services from the Kansas department for children and families, the department of corrections or the judicial branch, such agencies shall collaborate to provide such services. Nothing in this subsection shall preclude the child from accessing services provided by the Kansas department for children and families, the department of corrections, the judicial branch or any other state agency if the child

is otherwise eligible for the services.

Sec. 6. K.S.A. 2023 Supp. 38-2212, as amended by section 8 of 2023 Senate Bill No. 115, is hereby amended to read as follows: 38-2212. (a) *Principle of appropriate access.* Information contained in confidential agency records concerning a child alleged or adjudicated to be in need of care may be disclosed as provided in this section and shall be disclosed as provided in subsection (e). Disclosure shall in all cases be guided by the principle of providing access only to persons or entities with a need for information that is directly related to achieving the purposes of this code.

(b) *Free exchange of information.* Pursuant to K.S.A. 38-2210, and amendments thereto, the secretary and juvenile intake and assessment agencies shall participate in the free exchange of information concerning a child who is alleged or adjudicated to be in need of care.

(c) *Necessary access.* The following persons or entities shall have access to information from agency records. Access shall be limited to information reasonably necessary to carry out their lawful responsibilities, to maintain their personal safety and the personal safety of individuals in their care, or to educate, diagnose, treat, care for or protect a child alleged to be in need of care. Information authorized to be disclosed pursuant to this subsection shall not contain information that identifies a reporter of a child who is alleged or adjudicated to be a child in need of care.

(1) A child named in the report or records, a guardian ad litem appointed for the child and the child's attorney.

(2) A parent or other person responsible for the welfare of a child, or such person's legal representative.

(3) A court-appointed special advocate for a child, a citizen review board or other advocate that reports to the court.

(4) A person licensed to practice the healing arts or mental health profession in order to diagnose, care for, treat or supervise:

(A) A child whom such service provider reasonably suspects may be in need of care;

(B) a member of the child's family; or

(C) a person who allegedly abused or neglected the child.

(5) A person or entity licensed or registered by the secretary of health and environment or approved by the secretary for children and families to care for, treat or supervise a child in need of care.

(6) A coroner or medical examiner when such person is determining the cause of death of a child.

(7) The state child death review board established under K.S.A. 22a-243, and amendments thereto.

(8) An attorney for a private party who files a petition pursuant to K.S.A. 38-2233(b), and amendments thereto.

(9) A foster parent, prospective foster parent, permanent custodian, prospective permanent custodian, adoptive parent or prospective adoptive parent. In order to assist such persons in making an informed decision regarding acceptance of a particular child, to help the family anticipate problems that may occur during the child's placement, and to help the family meet the needs of the child in a constructive manner, the secretary shall seek and shall provide the following information to such persons as the information becomes available to the secretary:

- (A) Strengths, needs and general behavior of the child;
- (B) circumstances that necessitated placement;
- (C) information about the child's family and the child's relationship to the family that may affect the placement;
- (D) important life experiences and relationships that may affect the child's feelings, behavior, attitudes or adjustment;
- (E) medical history of the child, including third-party coverage that may be available to the child; and
- (F) education history, to include present grade placement, special strengths and weaknesses.

(10) The state protection and advocacy agency as provided by K.S.A. 65-5603(a)(10) or 74-5515(a)(2)(A) and (B), and amendments thereto.

(11) Any educational institution to the extent necessary to enable the educational institution to provide the safest possible environment for its pupils and employees.

(12) Any educator to the extent necessary to enable the educator to protect the personal safety of the educator and the educator's pupils.

(13) The office of the child advocate pursuant to the child advocate act.

(14) Any other federal, state or local government executive branch entity or any agent of such entity, having a need for such information in order to carry out such entity's responsibilities under the law to protect children from abuse and neglect.

(d) *Specified access.* The following persons or entities shall have access to information contained in agency records as specified. Information authorized to be disclosed pursuant to this subsection shall not contain information that identifies a reporter of a child who is alleged or adjudicated to be a child in need of care.

(1) Information from confidential agency records of the Kansas department for children and families, a law enforcement agency or any juvenile intake and assessment worker of a child alleged or adjudicated to be in need of care shall be available to members of the standing house or senate committee on judiciary, house committee on corrections and juvenile justice, house committee on child welfare and foster care, house committee on appropriations, senate committee on ways and means, legislative post audit committee and any joint committee with authority to consider children's and families' issues, when carrying out such member's or committee's official functions in accordance with K.S.A. 75-4319, and amendments thereto, in a closed or executive meeting. Except in limited conditions established by $\frac{2}{3}$ of the members of such committee, records and reports received by the committee shall not be further disclosed. Unauthorized disclosure may subject such member to discipline or censure from the house of representatives or senate. The secretary for children and families shall not summarize the outcome of department actions regarding a child alleged to be a child in need of care in information available to members of such committees.

(2) The secretary for children and families may summarize the outcome of department actions regarding a child alleged to be a child in need of care to a person having made such report.

(3) Information from confidential reports or records of a child alleged or adjudicated to be a child in need of care may be disclosed to the public when:

(A) The individuals involved or their representatives have given express written consent; or

(B) the investigation of the abuse or neglect of the child or the filing of a petition

alleging a child to be in need of care has become public knowledge, ~~provided, however, except~~ that the agency shall limit disclosure to confirmation of procedural details relating to the handling of the case by professionals.

(e) *Law enforcement access.* The secretary shall disclose confidential agency records of a child alleged or adjudicated to be a child in need of care, as described in K.S.A. 38-2209, and amendments thereto, to the law enforcement agency investigating the alleged or substantiated report or investigation of abuse or neglect, regardless of the disposition of such report or investigation. Such records shall include, but not be limited to, any information regarding such report or investigation, records of past reports or investigations concerning such child and such child's siblings and the perpetrator or alleged perpetrator and the name and contact information of the reporter or persons alleging abuse or neglect and case managers, investigators or contracting entity employees assigned to or investigating such report. Such records shall only be used for the purposes of investigating the alleged or substantiated report or investigation of abuse or neglect.

(f) *Court order.* Notwithstanding the provisions of this section, a court of competent jurisdiction, after in camera inspection, may order disclosure of confidential agency records pursuant to a determination that the disclosure is in the best interests of the child who is the subject of the reports or that the records are necessary for the proceedings of the court. The court shall specify the terms of disclosure and impose appropriate limitations.

(g) (1) Notwithstanding any other provision of law to the contrary, except as provided in paragraph (6), in the event that child abuse or neglect results in a child fatality or near fatality, reports or records of a child alleged or adjudicated to be in need of care received by the secretary, a law enforcement agency or any juvenile intake and assessment worker shall become a public record and subject to disclosure pursuant to K.S.A. 45-215, and amendments thereto.

(2) Within seven days of receipt of a request in accordance with the procedures adopted under K.S.A. 45-220, and amendments thereto, the secretary shall notify any affected individual that an open records request has been made concerning such records. The secretary or any affected individual may file a motion requesting the court to prevent disclosure of such record or report, or any select portion thereof. Notice of the filing of such motion shall be provided to all parties requesting the records or reports, and such party or parties shall have a right to hearing, upon request, prior to the entry of any order on such motion. If the affected individual does not file such motion within seven days of notification, and the secretary has not filed a motion, the secretary shall release the reports or records. If such motion is filed, the court shall consider the effect such disclosure may have upon an ongoing criminal investigation, a pending prosecution, or the privacy of the child, if living, or the child's siblings, parents or guardians, and the public's interest in the disclosure of such records or reports. The court shall make written findings on the record justifying the closing of the records and shall provide a copy of the journal entry to the affected parties and the individual requesting disclosure pursuant to the Kansas open records act, K.S.A. 45-215 et seq., and amendments thereto.

(3) Notwithstanding the provisions of paragraph (2), in the event that child abuse or neglect results in a child fatality or criminal charges are filed with a court alleging that a person caused a child fatality, the secretary shall release the following information in

response to an open records request made pursuant to the Kansas open records act, within seven business days of receipt of such request, as allowed by applicable law:

- (A) Age and sex of the child;
- (B) date of the fatality;
- (C) a summary of any previous reports of abuse or neglect received by the secretary involving the child, along with the findings of such reports; and
- (D) any department recommended services provided to the child.

(4) Notwithstanding the provisions of paragraph (2), in the event that a child fatality occurs while such child was in the custody of the secretary for children and families, the secretary shall release the following information in response to an open records request made pursuant to the Kansas open records act, within seven business days of receipt of such request, as allowed by applicable law:

- (A) Age and sex of the child;
- (B) date of the fatality; and
- (C) a summary of the facts surrounding the death of the child.

(5) For reports or records requested pursuant to this subsection, the time limitations specified in this subsection shall control to the extent of any inconsistency between this subsection and K.S.A. 45-218, and amendments thereto. As used in this section, "near fatality" means an act that, as certified by a person licensed to practice medicine and surgery, places the child in serious or critical condition.

(6) Nothing in this subsection shall allow the disclosure of reports, records or documents concerning the child and such child's biological parents that were created prior to such child's adoption. Nothing herein is intended to require that an otherwise privileged communication lose its privileged character.

Sec. 7. K.S.A. 2023 Supp. 38-2243 is hereby amended to read as follows: 38-2243.

(a) Upon notice and hearing, the court may issue an order directing who shall have temporary custody and may modify the order during the pendency of the proceedings as will best serve the child's welfare.

(b) A hearing pursuant to this section shall be held within 72 hours, excluding Saturdays, Sundays, legal holidays, and days on which the office of the clerk of the court is not accessible, following a child having been taken into protective custody.

(c) Whenever it is determined that a temporary custody hearing is required, the court shall immediately set the time and place for the hearing. Notice of a temporary custody hearing shall be given to all parties and interested parties.

(d) Notice of the temporary custody hearing shall be given at least 24 hours prior to the hearing. The court may continue the hearing to afford the 24 hours prior notice or, with the consent of the party or interested party, proceed with the hearing at the designated time. If an order of temporary custody is entered and the parent or other person having custody of the child has not been notified of the hearing, did not appear or waive appearance and requests a rehearing, the court shall rehear the matter without unnecessary delay.

(e) Oral notice may be used for giving notice of a temporary custody hearing where there is insufficient time to give written notice. Oral notice is completed upon filing a certificate of oral notice.

(f) The court may enter an order of temporary custody after determining there is probable cause to believe that the:

- (1) Child is dangerous to self or to others;

(2) child is not likely to be available within the jurisdiction of the court for future proceedings;

(3) health or welfare of the child may be endangered without further care;

(4) child has been subjected to human trafficking or aggravated human trafficking, as defined by K.S.A. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 21-6422, and amendments thereto;

(5) child is experiencing a ~~mental~~ behavioral health crisis and is in need of treatment; or

(6) child committed an act which, if committed by an adult, would constitute a violation of K.S.A. 21-6419, and amendments thereto.

(g) (1) Whenever the court determines the necessity for an order of temporary custody the court may place the child in the temporary custody of:

(A) A parent or other person having custody of the child and may enter a restraining order pursuant to subsection (h);

(B) a person, other than the parent or other person having custody, who shall not be required to be licensed under article 5 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto;

(C) a youth residential facility;

(D) a shelter facility;

(E) a staff secure facility, notwithstanding any other provision of law, if the child has been subjected to human trafficking or aggravated human trafficking, as defined by K.S.A. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 21-6422, and amendments thereto, or the child committed an act which, if committed by an adult, would constitute a violation of K.S.A. 21-6419, and amendments thereto;

(F) after written authorization by a community mental health center, a juvenile crisis intervention center, as described in K.S.A. 65-536, and amendments thereto; or

(G) the secretary, if the child is 15 years of age or younger, or 16 or 17 years of age if the child has no identifiable parental or family resources or shows signs of physical, mental, emotional or sexual abuse.

(2) If the secretary presents the court with a plan to provide services to a child or family which the court finds will assure the safety of the child, the court may only place the child in the temporary custody of the secretary until the court finds the services are in place. The court shall have the authority to require any person or entity agreeing to participate in the plan to perform as set out in the plan. When the child is placed in the temporary custody of the secretary, the secretary shall have the discretionary authority to place the child with a parent or to make other suitable placement for the child. When the child is placed in the temporary custody of the secretary and the child has been subjected to human trafficking or aggravated human trafficking, as defined by K.S.A. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 21-6422, and amendments thereto, or the child committed an act which, if committed by an adult, would constitute a violation of K.S.A. 21-6419, and amendments thereto, the secretary shall have the discretionary authority to place the child in a staff secure facility, notwithstanding any other provision of law. When the child is presently alleged, but not yet adjudicated to be a child in need of care solely pursuant to K.S.A. 38-2202(d)(9) or (d)(10), and amendments thereto, the child may be placed in a secure facility, but the total amount of time that the child may be held in

such facility under this section and K.S.A. 38-2242, and amendments thereto, shall not exceed 24 hours, excluding Saturdays, Sundays, legal holidays, and days on which the office of the clerk of the court is not accessible. The order of temporary custody shall remain in effect until modified or rescinded by the court or an adjudication order is entered but not exceeding 60 days, unless good cause is shown and stated on the record.

(h) If the court issues an order of temporary custody, the court may also enter an order restraining any alleged perpetrator of physical, sexual, mental or emotional abuse of the child from residing in the child's home; visiting, contacting, harassing or intimidating the child; or attempting to visit, contact, harass or intimidate the child, other family members or witnesses. Such restraining order shall be served by personal service pursuant to K.S.A. 38-2237(a), and amendments thereto, on any alleged perpetrator to whom the order is directed.

(i) (1) The court shall not enter the initial order removing a child from the custody of a parent pursuant to this section unless the court first finds probable cause that:

(A) (i) The child is likely to sustain harm if not immediately removed from the home;

(ii) allowing the child to remain in home is contrary to the welfare of the child; or

(iii) immediate placement of the child is in the best interest of the child; and

(B) reasonable efforts have been made to maintain the family unit and prevent the unnecessary removal of the child from the child's home or that an emergency exists which threatens the safety to the child.

(2) Such findings shall be included in any order entered by the court. If the child is placed in the custody of the secretary, upon making the order the court shall provide the secretary with a written copy.

(j) If the court enters an order of temporary custody that provides for placement of the child with a person other than the parent, the court shall make a child support determination pursuant to K.S.A. 38-2277, and amendments thereto.

(k) For the purposes of this section, "harassing or intimidating" and "harass or intimidate" includes, but is not limited to, utilizing any electronic tracking system or acquiring tracking information to determine the targeted person's location, movement or travel patterns.

Sec. 8. K.S.A. 44-706, as amended by section 12 of 2024 House Bill No. 2760, is hereby amended to read as follows: 44-706. The secretary shall examine whether an individual has separated from employment for each week claimed. The secretary shall apply the provisions of this section to the individual's most recent employment prior to the week claimed. An individual shall be disqualified for benefits:

(a) If the individual left work voluntarily without good cause attributable to the work or the employer, subject to the other provisions of this subsection. For purposes of this subsection, "good cause" is cause of such gravity that would impel a reasonable, not supersensitive, individual exercising ordinary common sense to leave employment. Good cause requires a showing of good faith of the individual leaving work, including the presence of a genuine desire to work. Failure to return to work after expiration of approved personal or medical leave, or both, shall be considered a voluntary resignation. After a temporary job assignment, failure of an individual to affirmatively request an additional assignment on the next succeeding workday, if required by the employment agreement, after completion of a given work assignment, shall constitute leaving work voluntarily. The disqualification shall begin the day following the

separation and shall continue until after the individual has become reemployed and has had earnings from insured work of at least three times the individual's weekly benefit amount. An individual shall not be disqualified under this subsection if:

(1) The individual was forced to leave work because of illness or injury upon the advice of a licensed and practicing healthcare provider and, upon learning of the necessity for absence, immediately notified the employer thereof, or the employer consented to the absence, and after recovery from the illness or injury, when recovery was certified by a practicing health care provider, the individual returned to the employer and offered to perform services and the individual's regular work or comparable and suitable work was not available. As used in this paragraph "healthcare provider" means any person licensed by the proper licensing authority of any state to engage in the practice of medicine and surgery, osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

(2) the individual left temporary work to return to the regular employer;

(3) the individual left work to enter active service in the armed forces of the United States but was rejected or delayed from entry;

(4) The spouse of an individual who is a member of the armed forces of the United States who left work because of the voluntary or involuntary transfer of the individual's spouse from one job to another job that is for the same employer or for a different employer, at a geographic location that makes it unreasonable for the individual to continue work at the individual's job. For the purposes of this provision "member of the armed forces" means a person performing active service in the army, navy, marine corps, air force, space force, coast guard or any component of the military reserves of the United States;

(5) the individual left work because of hazardous working conditions; in determining whether or not working conditions are hazardous for an individual, the degree of risk involved to the individual's health, safety and morals, the individual's physical fitness and prior training and the working conditions of workers engaged in the same or similar work for the same and other employers in the locality shall be considered; as used in this paragraph, "hazardous working conditions" means working conditions that could result in a danger to the physical or mental well-being of the individual; each determination as to whether hazardous working conditions exist shall include, but shall not be limited to, a consideration of: (A) The safety measures used or the lack thereof; and (B) the condition of equipment or lack of proper equipment; no work shall be considered hazardous if the working conditions surrounding the individual's work are the same or substantially the same as the working conditions generally prevailing among individuals performing the same or similar work for other employers engaged in the same or similar type of activity;

(6) the individual left work to enter training approved under section 236(a)(1) of the federal trade act of 1974, provided the work left is not of a substantially equal or higher skill level than the individual's past adversely affected employment, as defined for purposes of the federal trade act of 1974, and wages for such work are not less than 80% of the individual's average weekly wage as determined for the purposes of the federal trade act of 1974;

(7) the individual left work because of unwelcome harassment of the individual by the employer or another employee of which the employing unit had knowledge and that would impel the average worker to give up such worker's employment;

(8) the individual left work to accept better work; each determination as to whether or not the work accepted is better work shall include, but shall not be limited to, consideration of: (A) The rate of pay, the hours of work and the probable permanency of the work left as compared to the work accepted; (B) the cost to the individual of getting to the work left in comparison to the cost of getting to the work accepted; and (C) the distance from the individual's place of residence to the work accepted in comparison to the distance from the individual's residence to the work left;

(9) the individual left work as a result of being instructed or requested by the employer, a supervisor or a fellow employee to perform a service or commit an act in the scope of official job duties that is in violation of an ordinance or statute;

(10) the individual left work because of a substantial violation of the work agreement by the employing unit and, before the individual left, the individual had exhausted all remedies provided in such agreement for the settlement of disputes before terminating. For the purposes of this paragraph, a demotion based on performance does not constitute a violation of the work agreement;

(11) after making reasonable efforts to preserve the work, the individual left work due to a personal emergency of such nature and compelling urgency that it would be contrary to good conscience to impose a disqualification; or

(12) (A) the individual left work due to circumstances resulting from domestic violence, including:

(i) The individual's reasonable fear of future domestic violence at or en route to or from the individual's place of employment;

(ii) the individual's need to relocate to another geographic area in order to avoid future domestic violence;

(iii) the individual's need to address the physical, psychological and legal impacts of domestic violence;

(iv) the individual's need to leave employment as a condition of receiving services or shelter from an agency that provides support services or shelter to victims of domestic violence; or

(v) the individual's reasonable belief that termination of employment is necessary to avoid other situations that may cause domestic violence and to provide for the future safety of the individual or the individual's family.

(B) An individual may prove the existence of domestic violence by providing one of the following:

(i) A restraining order or other documentation of equitable relief by a court of competent jurisdiction;

(ii) a police record documenting the abuse;

(iii) documentation that the abuser has been convicted of one or more of the offenses enumerated in articles 34 and 35 of chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 21-6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments thereto, where the victim was a family or household member;

(iv) medical documentation of the abuse;

(v) a statement provided by a counselor, social worker, health care provider, clergy, shelter worker, legal advocate, domestic violence or sexual assault advocate or other professional who has assisted the individual in dealing with the effects of abuse on the individual or the individual's family; or

(vi) a sworn statement from the individual attesting to the abuse.

(C) No evidence of domestic violence experienced by an individual, including the individual's statement and corroborating evidence, shall be disclosed by the department of labor unless consent for disclosure is given by the individual.

(b) If the individual has been discharged or suspended for misconduct connected with the individual's work. The disqualification shall begin the day following the separation and shall continue until after the individual becomes reemployed and in cases where the disqualification is due to discharge for misconduct has had earnings from insured work of at least three times the individual's determined weekly benefit amount, except that if an individual is discharged for gross misconduct connected with the individual's work, such individual shall be disqualified for benefits until such individual again becomes employed and has had earnings from insured work of at least eight times such individual's determined weekly benefit amount. In addition, all wage credits attributable to the employment from which the individual was discharged for gross misconduct connected with the individual's work shall be canceled. No such cancellation of wage credits shall affect prior payments made as a result of a prior separation.

(1) As used in this subsection, "misconduct" means a violation of a duty or obligation reasonably owed the employer as a condition of employment including, but not limited to, a violation of a company rule, including a safety rule, if: (A) The individual knew or should have known about the rule; (B) the rule was lawful and reasonably related to the job; and (C) the rule was fairly and consistently enforced.

(2) (A) Failure of the employee to notify the employer of an absence and an individual's leaving work prior to the end of such individual's assigned work period without permission shall be considered prima facie evidence of a violation of a duty or obligation reasonably owed the employer as a condition of employment.

(B) For the purposes of this subsection, misconduct shall include, but not be limited to, violation of the employer's reasonable attendance expectations if the facts show:

- (i) The individual was absent or tardy without good cause;
- (ii) the individual had knowledge of the employer's attendance expectation; and
- (iii) the employer gave notice to the individual that future absence or tardiness may or will result in discharge.

(C) For the purposes of this subsection, if an employee disputes being absent or tardy without good cause, the employee shall present evidence that a majority of the employee's absences or tardiness were for good cause. If the employee alleges that the employee's repeated absences or tardiness were the result of health related issues, such evidence shall include documentation from a licensed and practicing healthcare provider as defined in subsection (a)(1).

(3) (A) The term "gross misconduct" as used in this subsection shall be construed to mean conduct evincing extreme, willful or wanton misconduct as defined by this subsection. Gross misconduct shall include, but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to property; (iv) intentional infliction of personal injury; or (v) any conduct that constitutes a felony.

(B) For the purposes of this subsection, the following shall be conclusive evidence of gross misconduct:

- (i) The use of alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance by an individual while working;

- (ii) the impairment caused by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance by an individual while working;
- (iii) a positive breath alcohol test or a positive chemical test, if:
 - (a) The test was either:
 - (1) Required by law and was administered pursuant to the drug free workplace act, 41 U.S.C. § 701 et seq.;
 - (2) administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment;
 - (3) requested pursuant to a written policy of the employer of which the employee had knowledge and was a required condition of employment;
 - (4) required by law and the test constituted a required condition of employment for the individual's job; or
 - (5) there was reasonable suspicion to believe that the individual used, had possession of, or was impaired by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance while working;
 - (b) the test sample was collected either:
 - (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et seq.;
 - (2) as prescribed by an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment;
 - (3) as prescribed by the written policy of the employer of which the employee had knowledge and that constituted a required condition of employment;
 - (4) as prescribed by a test that was required by law and which constituted a required condition of employment for the individual's job; or
 - (5) at a time contemporaneous with the events establishing probable cause;
 - (c) the collecting and labeling of a chemical test sample was performed by a licensed health care professional or any other individual certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or label test samples by federal or state law, or a federal or state rule or regulation having the force or effect of law, including law enforcement personnel;
 - (d) the chemical test was performed by a laboratory approved by the United States department of health and human services or licensed by the department of health and environment, except that a blood sample may be tested for alcohol content by a laboratory commonly used for that purpose by state law enforcement agencies;
 - (e) the chemical test was confirmed by gas chromatography, gas chromatography-mass spectroscopy or other comparably reliable analytical method, except that no such confirmation is required for a blood alcohol sample or a breath alcohol test;
 - (f) the breath alcohol test was administered by an individual trained to perform breath tests, the breath testing instrument used was certified and operated strictly according to a description provided by the manufacturers and the reliability of the instrument performance was assured by testing with alcohol standards; and
 - (g) the foundation evidence establishes, beyond a reasonable doubt, that the test results were from the sample taken from the individual;
- (iv) an individual's refusal to submit to a chemical test or breath alcohol test, if:
 - (a) The test meets the standards of the drug free workplace act, 41 U.S.C. § 701 et seq.;

(b) the test was administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment;

(c) the test was otherwise required by law and the test constituted a required condition of employment for the individual's job;

(d) the test was requested pursuant to a written policy of the employer of which the employee had knowledge and was a required condition of employment; or

(e) there was reasonable suspicion to believe that the individual used, possessed or was impaired by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance while working; and

(v) an individual's dilution or other tampering of a chemical test.

(C) For purposes of this subsection:

(i) "Alcohol concentration" means the number of grams of alcohol per 210 liters of breath;

(ii) "alcoholic liquor" means the same as defined in K.S.A. 41-102, and amendments thereto;

(iii) "cereal malt beverage" means the same as defined in K.S.A. 41-2701, and amendments thereto;

(iv) "chemical test" includes, but is not limited to, tests of urine, blood or saliva;

(v) "controlled substance" means the same as defined in K.S.A. 21-5701, and amendments thereto;

(vi) "required by law" means required by a federal or state law, a federal or state rule or regulation having the force and effect of law, a county resolution or municipal ordinance, or a policy relating to public safety adopted in an open meeting by the governing body of any special district or other local governmental entity;

(vii) "positive breath test" means a test result showing an alcohol concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if applicable, unless the test was administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment, in which case "positive chemical test" means a test result showing an alcohol concentration at or above the levels provided for in the assistance or treatment program; and

(viii) "positive chemical test" means a chemical result showing a concentration at or above the levels listed in K.S.A. 44-501, and amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or abuse listed therein, unless the test was administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment, in which case "positive chemical test" means a chemical result showing a concentration at or above the levels provided for in the assistance or treatment program.

(4) An individual shall not be disqualified under this subsection if the individual is discharged under the following circumstances:

(A) The employer discharged the individual after learning the individual was seeking other work or when the individual gave notice of future intent to quit, except that the individual shall be disqualified after the time that such individual intended to quit and any individual who commits misconduct after such individual gives notice to such individual's intent to quit shall be disqualified;

(B) the individual was making a good faith effort to do the assigned work but was

discharged due to:

- (i) Inefficiency;
- (ii) unsatisfactory performance due to inability, incapacity or lack of training or experience;
- (iii) isolated instances of ordinary negligence or inadvertence;
- (iv) good faith errors in judgment or discretion; or
- (v) unsatisfactory work or conduct due to circumstances beyond the individual's control; or

(C) the individual's refusal to perform work in excess of the contract of hire.

(c) If the individual has failed, without good cause, to either apply for suitable work when so directed by the employment office of the secretary of labor, or to accept suitable work when offered to the individual by the employment office, the secretary of labor, or an employer, such disqualification shall begin with the week in which such failure occurred and shall continue until the individual becomes reemployed and has had earnings from insured work of at least three times such individual's determined weekly benefit amount. In determining whether or not any work is suitable for an individual, the secretary of labor, or a person or persons designated by the secretary, shall consider the degree of risk involved to health, safety and morals, physical fitness and prior training, experience and prior earnings, length of unemployment and prospects for securing local work in the individual's customary occupation or work for which the individual is reasonably fit by training or experience, and the distance of the available work from the individual's residence. Notwithstanding any other provisions of this act, an otherwise eligible individual shall not be disqualified for refusing an offer of suitable employment, or failing to apply for suitable employment when notified by an employment office, or for leaving the individual's most recent work accepted during approved training, including training approved under section 236(a)(1) of the trade act of 1974, if the acceptance of or applying for suitable employment or continuing such work would require the individual to terminate approved training and no work shall be deemed suitable and benefits shall not be denied under this act to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) If the position offered is vacant due directly to a strike, lockout or other labor dispute;

(2) if the remuneration, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed, the individual would be required to join or to resign from or refrain from joining any labor organization; and

(4) if the individual left employment as a result of domestic violence, and the position offered does not reasonably accommodate the individual's physical, psychological, safety, or legal needs relating to such domestic violence.

(d) For any week with respect to which the secretary of labor, or a person or persons designated by the secretary, finds that the individual's unemployment is due to a stoppage of work that exists because of a labor dispute or there would have been a work stoppage had normal operations not been maintained with other personnel previously and currently employed by the same employer at the factory, establishment or other premises at which the individual is or was last employed, except that this subsection (d) shall not apply if it is shown to the satisfaction of the secretary of labor, or a person or

persons designated by the secretary, that:

(1) The individual is not participating in or financing or directly interested in the labor dispute that caused the stoppage of work; and

(2) the individual does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises where the stoppage occurs any of whom are participating in or financing or directly interested in the dispute. If in any case separate branches of work that are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purpose of this subsection be deemed to be a separate factory, establishment or other premises. For the purposes of this subsection, failure or refusal to cross a picket line or refusal for any reason during the continuance of such labor dispute to accept the individual's available and customary work at the factory, establishment or other premises where the individual is or was last employed shall be considered as participation and interest in the labor dispute.

(e) For any week or a part of the week in which the individual has received or 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 other state or the United States finally determines that the individual is not entitled to such unemployment benefits, this disqualification shall not apply.

(f) For any week in which the individual is entitled to receive any unemployment allowance or compensation granted by the United States under an act of congress to former members of the armed forces in recognition of former service with the military, naval, air or space services of the United States.

(g) If the individual, or another in such individual's behalf with the knowledge of the individual, has knowingly made a false statement or representation, or has knowingly failed to disclose a material fact to obtain or increase benefits under this act or any other unemployment compensation law administered by the secretary of labor, unless the individual has repaid the full amount of the overpayment as determined by the secretary or the secretary's designee, including, but not limited to, the total amount of money erroneously paid as benefits or unlawfully obtained, interest, penalties and any other costs or fees provided by law. If the individual has made such repayment, the individual shall be disqualified for a period of one year for the first occurrence or five years for any subsequent occurrence, beginning with the first day following the date the department of labor confirmed the individual has successfully repaid the full amount of the overpayment. In addition to the penalties set forth in K.S.A. 44-719, and amendments thereto, an individual who has knowingly made a false statement or representation or who has knowingly failed to disclose a material fact to obtain or increase benefits under this act or any other unemployment compensation law administered by the secretary of labor shall be liable for a penalty in the amount equal to 25% of the amount of benefits unlawfully received. Notwithstanding any other provision of law, such penalty shall be deposited into the employment security trust fund. No person who is a victim of identify theft shall be subject to the provisions of this subsection. The secretary shall investigate all cases of an alleged false statement or representation or failure to disclose a material fact to ensure no victim of identity theft is disqualified, required to repay or subject to any penalty as provided by this subsection as a result of identity theft.

(h) For any week in which the individual is receiving compensation for temporary total disability or permanent total disability under the workmen's compensation law of any state or under a similar law of the United States.

(i) For any week of unemployment on the basis of service in an instructional, research or principal administrative capacity for an educational institution as defined in K.S.A. 44-703(v), and amendments thereto, if such week begins during the period between two successive academic years or terms or, when an agreement provides instead for a similar period between two regular but not successive terms during such period or during a period of paid sabbatical leave provided for in the individual's contract, if the individual performs such services in the first of such academic years or terms and there is a contract or a reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms.

(j) For any week of unemployment on the basis of service in any capacity other than service in an instructional, research, or administrative capacity in an educational institution, as defined in K.S.A. 44-703(v), and amendments thereto, if such week begins during the period between two successive academic years or terms if the individual performs such services in the first of such academic years or terms and there is a reasonable assurance that the individual will perform such services in the second of such academic years or terms, except that if benefits are denied to the individual under this subsection and the individual was not offered an opportunity to perform such services for the educational institution for the second of such academic years or terms, such individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and such benefits were denied solely by reason of this subsection.

(k) For any week of unemployment on the basis of service in any capacity for an educational institution as defined in K.S.A. 44-703(v), and amendments thereto, if such week begins during an established and customary vacation period or holiday recess, if the individual performs services in the period immediately before such vacation period or holiday recess and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess.

(l) For any week of unemployment on the basis of any services, consisting of participating in sports or athletic events or training or preparing to so participate, if such week begins during the period between two successive sport seasons or similar period if such individual performed services in the first of such seasons or similar periods and there is a reasonable assurance that such individual will perform such services in the later of such seasons or similar periods.

(m) For any week on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time such services were performed, was lawfully present for purposes of performing such services, or was permanently residing in the United States under color of law at the time such services were performed, including an alien who was lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) of the federal immigration and nationality act. Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits. In the case

of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of such individual's alien status shall be made except upon a preponderance of the evidence.

(n) For any week in which an individual is receiving a governmental or other pension, retirement or retired pay, annuity or other similar periodic payment under a plan maintained by a base period employer and to which the entire contributions were provided by such employer, except that:

(1) If the entire contributions to such plan were provided by the base period employer but such individual's weekly benefit amount exceeds such governmental or other pension, retirement or retired pay, annuity or other similar periodic payment attributable to such week, the weekly benefit amount payable to the individual shall be reduced, but not below zero, by an amount equal to the amount of such pension, retirement or retired pay, annuity or other similar periodic payment that is attributable to such week; or

(2) if only a portion of contributions to such plan were provided by the base period employer, the weekly benefit amount payable to such individual for such week shall be reduced, but not below zero, by the prorated weekly amount of the pension, retirement or retired pay, annuity or other similar periodic payment after deduction of that portion of the pension, retirement or retired pay, annuity or other similar periodic payment that is directly attributable to the percentage of the contributions made to the plan by such individual; or

(3) if the entire contributions to the plan were provided by such individual, or by the individual and an employer, or any person or organization, who is not a base period employer, no reduction in the weekly benefit amount payable to the individual for such week shall be made under this subsection; or

(4) whatever portion of contributions to such plan were provided by the base period employer, if the services performed for the employer by such individual during the base period, or remuneration received for the services, did not affect the individual's eligibility for, or increased the amount of, such pension, retirement or retired pay, annuity or other similar periodic payment, no reduction in the weekly benefit amount payable to the individual for such week shall be made under this subsection. No reduction shall be made for payments made under the social security act or railroad retirement act of 1974.

(o) For any week of unemployment on the basis of services performed in any capacity and under any of the circumstances described in subsection (i), (j) or (k) that an individual performed in an educational institution while in the employ of an educational service agency. For the purposes of this subsection, the term "educational service agency" means a governmental agency or entity that is established and operated exclusively for the purpose of providing such services to one or more educational institutions.

(p) For any week of unemployment on the basis of service as a school bus or other motor vehicle driver employed by a private contractor to transport pupils, students and school personnel to or from school-related functions or activities for an educational institution, as defined in K.S.A. 44-703(v), and amendments thereto, if such week begins during the period between two successive academic years or during a similar period between two regular terms, whether or not successive, if the individual has a contract or contracts, or a reasonable assurance thereof, to perform services in any such

capacity with a private contractor for any educational institution for both such academic years or both such terms. An individual shall not be disqualified for benefits as provided in this subsection for any week of unemployment:

(1) That the individual is a participating employee in a short-term compensation program established pursuant to K.S.A. 44-757, and amendments thereto; or

(2) on the basis of service as a bus or other motor vehicle driver employed by a private contractor to transport persons to or from nonschool-related functions or activities.

(q) For any week of unemployment on the basis of services performed by the individual in any capacity and under any of the circumstances described in subsection (i), (j), (k) or (o) that are provided to or on behalf of an educational institution, as defined in K.S.A. 44-703(v), and amendments thereto, while the individual is in the employ of an employer that is a governmental entity, Indian tribe or any employer described in section 501(c)(3) of the federal internal revenue code of 1986 that is exempt from income under section 501(a) of the code.

(r) For any week in which an individual is registered at and attending an established school, training facility or other educational institution, or is on vacation during or between two successive academic years or terms. An individual shall not be disqualified for benefits as provided in this subsection if:

(1) The individual was engaged in full-time employment concurrent with the individual's school attendance;

(2) the individual is attending approved training as defined in K.S.A. 44-703(s), and amendments thereto; or

(3) the individual is attending evening, weekend or limited day time classes that would not affect availability for work, and is otherwise eligible under K.S.A. 44-705(c), and amendments thereto.

(s) For any week in which an individual is receiving or has received remuneration in the form of a back pay award or settlement. The remuneration shall be allocated to the week or weeks in the manner as specified in the award or agreement, or in the absence of such specificity in the award or agreement, such remuneration shall be allocated to the week or weeks for which such remuneration, in the judgment of the secretary, would have been paid.

(1) For any such weeks that an individual receives remuneration in the form of a back pay award or settlement, an overpayment will be established in the amount of unemployment benefits paid and shall be collected from the claimant.

(2) If an employer chooses to withhold from a back pay award or settlement, amounts paid to a claimant while they claimed unemployment benefits, such employer shall pay the department the amount withheld. With respect to such amount, the secretary shall have available all of the collection remedies authorized or provided in K.S.A. 44-717, and amendments thereto.

(t) (1) Any applicant for or recipient of unemployment benefits who tests positive for unlawful use of a controlled substance or controlled substance analog shall be required to complete a substance abuse treatment program approved by the secretary of labor, secretary of commerce or secretary for children and families, and a job skills program approved by the secretary of labor, secretary of commerce or the secretary for children and families. Subject to applicable federal laws, any applicant for or recipient of unemployment benefits who fails to complete or refuses to participate in the

substance abuse treatment program or job skills program as required under this subsection shall be ineligible to receive unemployment benefits until completion of such substance abuse treatment and job skills programs. Upon completion of both substance abuse treatment and job skills programs, such applicant for or recipient of unemployment benefits may be subject to periodic drug screening, as determined by the secretary of labor. Upon a second positive test for unlawful use of a controlled substance or controlled substance analog, an applicant for or recipient of unemployment benefits shall be ordered to complete again a substance abuse treatment program and job skills program, and shall be terminated from unemployment benefits for a period of 12 months, or until such applicant for or recipient of unemployment benefits completes both substance abuse treatment and job skills programs, whichever is later. Upon a third positive test for unlawful use of a controlled substance or controlled substance analog, an applicant for or a recipient of unemployment benefits shall be terminated from receiving unemployment benefits, subject to applicable federal law.

(2) Any individual who has been discharged or refused employment for failing a preemployment drug screen required by an employer may request that the drug screening specimen be sent to a different drug testing facility for an additional drug screening. Any such individual who requests an additional drug screening at a different drug testing facility shall be required to pay the cost of drug screening.

(u) If the individual was found not to have a disqualifying adjudication or conviction under K.S.A. 39-970 or 65-5117, and amendments thereto, was hired and then was subsequently convicted of a disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and amendments thereto. The disqualification shall begin the day following the separation and shall continue until after the individual becomes reemployed and has had earnings from insured work of at least three times the individual's determined weekly benefit amount.

(v) Notwithstanding the provisions of any subsection, an individual shall not be disqualified for such week of part-time employment in a substitute capacity for an educational institution if such individual's most recent employment prior to the individual's benefit year begin date was for a non-educational institution and such individual demonstrates application for work in such individual's customary occupation or for work for which the individual is reasonably fit by training or experience.

Sec. 9. K.S.A. 2023 Supp. 65-536 is hereby amended to read as follows: 65-536. (a) A juvenile crisis intervention center is a facility that provides short-term observation, assessment, treatment and case planning, and referral for any juvenile who is experiencing a behavioral health crisis and is likely to cause harm to self or others. Such centers shall:

(1) Address or ensure access to the broad range of services to meet the needs of a juvenile admitted to the center, including, but not limited to, medical, psychiatric, psychological, social, educational and substance abuse-related services;

(2) not include construction features designed to physically restrict the movements and activities of juveniles, but shall have a design, structure, interior and exterior environment, and furnishings to promote a safe, comfortable and therapeutic environment for juveniles admitted to the center;

(3) implement written policies and procedures that include the use of a combination of supervision, inspection and accountability to promote safe and orderly operations;

and

(4) implement written policies and procedures for staff monitoring of all center entrances and exits.

(b) A juvenile crisis intervention center shall provide treatment to juveniles admitted to such center, as appropriate while admitted.

(c) A juvenile crisis intervention center may be on the same premises as that of another licensed facility. If the juvenile crisis intervention center is on the same premises as that of another licensed facility, the living unit of the juvenile crisis intervention center shall be maintained in a separate, self-contained unit. No juvenile crisis intervention center shall be in a city or county jail or a juvenile detention facility.

(d) (1) A juvenile may be admitted to a juvenile crisis intervention center when:

(A) The head of such center determines such juvenile is in need of treatment and likely to cause harm to self or others;

(B) a qualified mental health professional from a community mental health center has given written authorization for such juvenile to be admitted to a juvenile crisis intervention center; and

(C) no other more appropriate treatment services are available and accessible to the juvenile at the time of admission.

(2) A juvenile may be admitted to a juvenile crisis intervention center for not more than 30 days. A parent with legal custody or legal guardian of a juvenile placed in a juvenile crisis intervention center may remove such juvenile from the center at any time. If the removal may cause the juvenile to become a child in need of care pursuant to K.S.A. 38-2202(d), and amendments thereto, the head of a juvenile crisis intervention center may report such concerns to the department for children and families or law enforcement or may request the county or district attorney to initiate proceedings pursuant to the revised Kansas code for care of children. If the head of a juvenile crisis intervention center determines the most appropriate action is to request the county or district attorney to initiate proceedings pursuant to the revised Kansas code for care of children, the head of such center shall make such request and shall keep such juvenile in the center for an additional 24-hour period to initiate the appropriate proceedings.

(3) When a juvenile is released from a juvenile crisis intervention center, the managed care organization, if the juvenile is a medicaid recipient, and the community mental health center serving the area where the juvenile is being discharged shall be involved with discharge planning. Within seven days prior to the discharge of a juvenile, the head of the juvenile crisis intervention center shall give written notice of the date and time of the discharge to the patient, the managed care organization, if the juvenile is a medicaid recipient, and the community mental health center serving the area where the juvenile is being discharged, and the patient's parent, custodian or legal guardian.

(e) (1) Upon admission to a juvenile crisis intervention center, and if the juvenile is a medicaid recipient, the managed care organization shall approve services as recommended by the head of the juvenile crisis intervention center. Within 14 days after admission, the head of the juvenile crisis intervention center shall develop a plan of treatment for the juvenile in collaboration with the managed care organization.

(2) Nothing in this subsection shall prohibit the department of health and environment from administering or reimbursing state medicaid services to any juvenile admitted to a juvenile crisis intervention center pursuant to a waiver granted under section 1915(c) of the

federal social security act, provided that such services are not administered through a managed care delivery system.

(3) Nothing in this subsection shall prohibit the department of health and environment from reimbursing any state medicaid services that qualify for reimbursement and that are provided to a juvenile admitted to a juvenile crisis intervention center.

(4) Nothing in this subsection shall impair or otherwise affect the validity of any contract in existence on July 1, 2018, between a managed care organization and the department of health and environment to provide state medicaid services.

(5) On or before January 1, 2019, the secretary of health and environment shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement this subsection.

(f) The secretary for children and families, in consultation with the attorney general, shall promulgate rules and regulations to implement the provisions of this section on or before January 1, 2019.

(g) The secretary for children and families shall annually report information on outcomes of juveniles admitted into juvenile crisis intervention centers to the J. Russell (Russ) Jennings joint committee on corrections and juvenile justice oversight, the corrections and juvenile justice committee of the house of representatives and the judiciary committee of the senate. Such report shall include:

(1) The number of admissions, releases and the lengths of stay for juveniles admitted to juvenile crisis intervention centers;

(2) services provided to juveniles admitted;

(3) needs of juveniles admitted determined by evidence-based assessment; and

(4) success and recidivism rates, including information on the reduction of involvement of the child welfare system and juvenile justice system with the juvenile.

(h) The secretary of corrections may enter into memorandums of agreement with other cabinet agencies to provide funding, not to exceed \$2,000,000 annually, from the evidence-based programs account of the state general fund or other available appropriations for juvenile crisis intervention services.

(i) For the purposes of this section:

(1) "Behavioral health crisis" means behavioral and conduct issues that impact the safety or health of a juvenile, members of the juvenile's household or family or members of the community, including, but not limited to, non-life threatening mental health and substance abuse concerns;

(2) "head of a juvenile crisis intervention center" means the administrative director of a juvenile crisis intervention center or such person's designee;

(3) "juvenile" means a person who is less than 18 years of age;

(4) "likely to cause harm to self or others" means that a juvenile, by reason of the juvenile's behavioral health condition, mental disorder or mental condition is likely, in the reasonably foreseeable future, to cause substantial physical injury or physical abuse to self or others or substantial damage to another's property, as evidenced by behavior threatening, attempting or causing such injury, abuse or damage;

(5) "treatment" means any service intended to promote the mental health of the patient and rendered by a qualified professional, licensed or certified by the state to provide such service as an independent practitioner or under the supervision of such practitioner; and

(6) "qualified mental health professional" means a physician or psychologist who is employed by a participating mental health center or who is providing services as a physician or psychologist under a contract with a participating mental health center, a licensed masters level psychologist, a licensed clinical psychotherapist, a licensed marriage and family therapist, a licensed clinical marriage and family therapist, a licensed professional counselor, a licensed clinical professional counselor, a licensed specialist social worker or a licensed master social worker or a registered nurse who has a specialty in psychiatric nursing, who is employed by a participating mental health center and who is acting under the direction of a physician or psychologist who is employed by, or under contract with, a participating mental health center.

(j) This section shall be a part of and supplemental to article 5 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 10. K.S.A. 65-2401, as amended by section 1 of 2023 House Bill No. 2358, is hereby amended to read as follows: 65-2401. As used in this act:

(a) "Vital statistics" includes the registration, preparation, transcription, collection, compilation, and preservation of data pertaining to birth, adoption, legitimation, death, stillbirth, marriage, divorce, annulment of marriage, induced termination of pregnancy, and data incidental thereto.

(b) "Live birth" means the complete expulsion or extraction from its mother of a human child, irrespective of the duration of pregnancy, which, after such expulsion or extraction, breathes or shows any other evidence of life such as beating of the heart, pulsation of the umbilical cord, or definite movement of voluntary muscles, whether or not the umbilical cord has been cut or the placenta is attached.

(c) "Gestational age" means the age of the human child as measured in weeks as determined by either the last date of the mother's menstrual period, a sonogram conducted prior to the 20th week of pregnancy or the confirmed known date of conception.

(d) "Stillbirth" means any complete expulsion or extraction from its mother of a human child the gestational age of which is not less than 20 completed weeks, resulting in other than a live birth, as defined in this section, and which is not an induced termination of pregnancy.

(e) "Induced termination of pregnancy" means abortion, as defined in K.S.A. 65-6701, and amendments thereto.

(f) "Dead body" means a lifeless human body or such parts of a human body or the bones thereof from the state of which it reasonably may be concluded that death recently occurred.

(g) "Person in charge of interment" means any person who places or causes to be placed a stillborn child or dead body or the ashes, after cremation, in a grave, vault, urn or other receptacle, or otherwise disposes thereof.

(h) "Secretary" means the secretary of health and environment.

(i) "Cause of death certifier" means a person licensed to practice medicine and surgery by the state board of healing arts, a physician assistant licensed by the state board of healing arts, an advanced practice registered nurse licensed by the state board of nursing or a district coroner, deputy coroner or special deputy coroner.

(j) "Employee" means a person who has applied for employment or is currently employed in the office of vital statistics.

Sec. 11. K.S.A. 2023 Supp. 65-5808 is hereby amended to read as follows: 65-

5808. (a) The board may collect the following fees, and any such fees shall be established by rules and regulations adopted by the board:

- (1) For application for licensure as a professional counselor, not more than \$100;
 - (2) for an original license as a professional counselor, not more than \$175;
 - (3) for a temporary license as a professional counselor, not more than \$175;
 - (4) for a six-month reinstatement temporary license as a professional counselor, not more than \$50;
 - (5) for renewal for licensure as a professional counselor, not more than \$150;
 - (6) for application for licensure as a clinical professional counselor, not more than \$175;
 - (7) for licensure as a clinical professional counselor, not more than \$175;
 - (8) for renewal for licensure as a clinical professional counselor, not more than \$175;
 - (9) for a six-month reinstatement temporary license as a clinical professional counselor, not more than \$50;
 - (10) for a community-based professional counselor license, not more than \$175;
 - (11) for a home-state license with privilege to practice under the counseling compact, not more than \$25 in addition to any other applicable fee;
 - (12) for late renewal penalty, an amount equal to the fee for renewal of a license;
 - ~~(12)~~(13) for reinstatement of a license, not more than \$175;
 - ~~(13)~~(14) for replacement of a license, not more than \$20;
 - ~~(14)~~(15) for a wallet card license, not more than \$5; and
 - ~~(15)~~(16) for application as a board-approved clinical supervisor, not more than \$50.
- (b) Fees paid to the board are not refundable.

Sec. 12. K.S.A. 2023 Supp. 65-6129, as amended by section 21 of 2024 House Bill No. 2760, is hereby amended to read as follows: 65-6129. (a) (1) Application for an emergency medical service provider certificate shall be made to the board. The board shall not grant an emergency medical service provider certificate unless the applicant meets the following requirements:

(A) (i) Has successfully completed coursework required by the rules and regulations adopted by the board;

(ii) has successfully completed coursework in another jurisdiction that is substantially equivalent to that required by the rules and regulations adopted by the board; or

(iii) has provided evidence that such applicant holds a current and active certification with the national registry of emergency medical technicians, completed emergency medical technician training as a member of the army, navy, marine corps, air force, space force, air or army national guard of any of the several states and territories, Puerto Rico and the District of Columbia, coast guard or any component of the military reserves of the United States that is substantially equivalent to that required by the rules and regulations adopted by the board, and such applicant separated from such period of active service as a member of the armed forces with an honorable discharge. Applicants currently performing active service as a member of the armed forces are presumed to be serving honorably;

(B) (i) has passed the examination required by the rules and regulations adopted by the board; or

(ii) has passed the certification or licensing examination in another jurisdiction that

has been approved by the board; and

(C) has paid an application fee required by the rules and regulations adopted by the board.

(2) The board may grant an emergency medical service provider certificate to any applicant who meets the requirements under subsection (a)(1)(A)(iii) but was separated from such period of active service as a member of the armed forces with a general discharge under honorable conditions.

(b) (1) The emergency medical services board may require an original applicant for certification as an emergency medical services provider to be fingerprinted and submit to a state and national criminal history record check in accordance with section 2 of 2024 Senate Bill No. 491, and amendments thereto. ~~The fingerprints shall be used to identify the applicant and to determine whether the applicant has a record of criminal history in this state or another jurisdiction. The emergency medical services board is authorized to submit the fingerprints to the Kansas bureau of investigation and the federal bureau of investigation for a state and national criminal history record check. The emergency medical services board may use the information obtained from fingerprinting and the applicant's criminal history for purposes of verifying the identification of the applicant and making the official determination of the qualifications and fitness of the applicant to be issued or to maintain a certificate.~~

(2) ~~Local and state law enforcement officers and agencies shall assist the emergency medical services board in taking the fingerprints of applicants for license, registration, permit or certificate. The Kansas bureau of investigation shall release all records of adult convictions, nonconvictions or adjudications in this state and any other state or country to the emergency medical services board.~~ As used in this section, "applicant" means a person who has submitted an application for an emergency medical services provider certificate.

(3) The emergency medical services board may fix and collect a fee as may be required by the board in an amount equal to the cost of fingerprinting and the criminal history record check. The emergency medical services board shall remit all moneys received from the fees established by this section 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 emergency medical services criminal history and fingerprinting fund.

(4) There is hereby created in the state treasury the emergency medical services criminal history and fingerprinting fund. All moneys credited to the fund shall be used to pay the Kansas bureau of investigation for the processing of fingerprints and criminal history record checks for the emergency medical services board. The fund shall be administered by the emergency medical services board. All expenditures from the fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the emergency medical services board or the chairperson's designee.

(c) The board shall not grant an initial advanced emergency medical technician certificate or paramedic certificate as a result of successful course completion in the state of Kansas, except if the applicant for such an initial certificate is certified as an emergency medical technician.

(d) An emergency medical service provider certificate shall expire on the date prescribed by the board. An emergency medical service provider certificate may be

renewed for a period of two years upon payment of a fee as prescribed by rule and regulation of the board and upon presentation of satisfactory proof that the emergency medical service provider has successfully completed continuing education as prescribed by the board.

(e) All fees received pursuant to the provisions of 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 emergency medical services operating fund established by K.S.A. 65-6151, and amendments thereto.

(f) If a person who was previously certified as an emergency medical service provider applies for an emergency medical service provider's certificate after the certificate's expiration, the board may grant a certificate without the person completing an initial course of instruction or passing a certification examination if the person has completed education requirements and has paid a fee as specified in rules and regulations adopted by the board.

(g) The board shall adopt, through rules and regulations, a formal list of graduated sanctions for violations of article 61 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto, that shall specify the number and severity of violations for the imposition of each level of sanction.

Sec. 13. K.S.A. 73-1210a, as amended by section 27 of 2024 House Bill No. 2760, is hereby amended to read as follows: 73-1210a. (a) Except as otherwise provided by law, and subject to the Kansas civil service act, the director of the Kansas office of veterans services shall appoint:

(1) Subordinate officers and employees, subject to the approval of the governor, as are necessary to enable the director to exercise or perform the functions, powers and duties pursuant to the provisions of article 12 of chapter 73 of the Kansas Statutes Annotated, and amendments thereto;

(2) the superintendent of the Kansas soldiers' home;

(3) the superintendent of the Kansas veterans' home; and

(4) the deputy director of veterans services pursuant to K.S.A. 73-1234, and amendments thereto.

(b) ~~(1) Upon the commencement of the interview process, every candidate for a position in the Kansas office of veterans services that interviews claimants and provides information advice and counseling to veterans, surviving spouses, their dependents concerning compensation, pension, education, vocational rehabilitation, insurance, hospitalization, outpatient care, home loans, housing, tax exemptions, burial benefits and other benefits to which they may be entitled, or any other sensitive position, as determined by the director shall be given a written notice that a criminal history records check is required. The director of the Kansas office of veterans services shall require such candidates to be fingerprinted and submit to a state and national criminal history record check in accordance with section 2 of 2024 Senate Bill No. 491, and amendments thereto. The fingerprints shall be used to identify the candidate and to determine whether the candidate has a record of criminal history in this state or another jurisdiction. The director of the Kansas office of veterans services shall submit the fingerprints to the Kansas bureau of investigation and the federal bureau of investigation for a state and national criminal history record check. Local and state law enforcement officers and agencies shall assist the director of the Kansas office of~~

~~veterans services in taking and processing of fingerprints of candidates. If the criminal history record information reveals any conviction of crimes of dishonesty or violence, such conviction may be used to disqualify a candidate for any position within the director of the Kansas office of veterans services. If the criminal history record information is used to disqualify a candidate, the candidate shall be informed in writing of that decision~~

(2) As used in this subsection, "candidate" means an applicant for a position in the Kansas office of veterans services that interviews claimants and provides information, advice and counseling to veterans, surviving spouses and their dependents concerning compensation, pension, education, vocational rehabilitation, insurance, hospitalization, outpatient care, home loans, housing, tax exemptions, burial benefits and other benefits to which they may be entitled.

(c) Persons employed by the Kansas soldiers' home and Kansas veterans' home shall be excluded from the provisions of subsection (b). No person who has been employed by the director of the Kansas office of veterans services for five consecutive years immediately prior to the effective date of this act shall be subject to the provisions of subsection (b) while employed by the director of the Kansas office of veterans services.

(d) (1) Except as otherwise provided by law, and subject to the Kansas civil service act, the director of the Kansas office of veterans services shall appoint subordinate officers and employees, a superintendent of the Kansas soldiers' home and a superintendent of the Kansas veterans' home, as shall be necessary to enable the director of the Kansas office of veterans services to exercise or perform its functions, powers and duties pursuant to the provisions of article 19 of chapter 76 of the Kansas Statutes Annotated, and amendments thereto.

(2) (A) All subordinate officers and employees shall be within the classified service under the Kansas civil service act, shall perform such duties and exercise such powers as the director of the Kansas office of veterans services may prescribe and such duties and powers as are designated by law, and shall act for and exercise the powers of the the director of the Kansas office of veterans services.

(B) The superintendent of the Kansas soldiers' home shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary fixed by the director of the Kansas office of veterans services, with the approval of the governor. The superintendent of the Kansas soldiers' home shall perform such duties and exercise such powers as the director may prescribe, and such duties and powers as are prescribed by law.

(C) The superintendent of the Kansas veterans' home shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary fixed by the director of the Kansas office of veterans services, with the approval of the governor. The superintendent of the Kansas veterans' home shall perform such duties and exercise such powers as the director may prescribe, and such duties and powers as are prescribed by law.

(e) Any veterans service representative appointed by the director of the Kansas office of veterans services shall be an honorably discharged veteran or retired from the United States armed forces. No veterans service representative of the Kansas office of veterans services shall take a power of attorney in the name of the director of the Kansas office of veterans services. Nothing in this act shall be construed to prohibit any

such veterans service representative from assisting any veteran with any claim in which a power of attorney is not required.

(f) For the purpose of this subsection, "veterans service representative" means any officer or employee appointed pursuant to this section whose primary duties include:

(1) Assisting veterans and their dependents in securing benefits from the federal government and the state of Kansas.

(2) Providing information and assistance to veterans and dependents in obtaining special services and benefits based on knowledge of federal and state laws, policies and regulations pertaining to veterans benefits and services.

(3) Providing assistance to veterans service organizations participating in the veterans claims assistance program.

Sec. 14. K.S.A. 2023 Supp. 79-32,117, as amended by section 2 of 2024 Senate Bill No. 360, is hereby amended to read as follows: 79-32,117. (a) The Kansas adjusted gross income of an individual means such individual's federal adjusted gross income for the taxable year, with the modifications specified in this section.

(b) There shall be added to federal adjusted gross income:

(i) Interest income less any related expenses directly incurred in the purchase of state or political subdivision obligations, to the extent that the same is not included in federal adjusted gross income, on obligations of any state or political subdivision thereof, but to the extent that interest income on obligations of this state or a political subdivision thereof issued prior to January 1, 1988, is specifically exempt from income tax under the laws of this state authorizing the issuance of such obligations, it shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income. Interest income on obligations of this state or a political subdivision thereof issued after December 31, 1987, shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income.

(ii) Taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state or any other taxing jurisdiction to the extent deductible in determining federal adjusted gross income and not credited against federal income tax. This paragraph shall not apply to taxes imposed under the provisions of K.S.A. 79-1107 or 79-1108, and amendments thereto, for privilege tax year 1995, and all such years thereafter.

(iii) The federal net operating loss deduction, except that the federal net operating loss deduction shall not be added to an individual's federal adjusted gross income for tax years beginning after December 31, 2016.

(iv) Federal income tax refunds received by the taxpayer if the deduction of the taxes being refunded resulted in a tax benefit for Kansas income tax purposes during a prior taxable year. Such refunds shall be included in income in the year actually received regardless of the method of accounting used by the taxpayer. For purposes hereof, a tax benefit shall be deemed to have resulted if the amount of the tax had been deducted in determining income subject to a Kansas income tax for a prior year regardless of the rate of taxation applied in such prior year to the Kansas taxable income, but only that portion of the refund shall be included as bears the same proportion to the total refund received as the federal taxes deducted in the year to which such refund is attributable bears to the total federal income taxes paid for such year. For purposes of the foregoing sentence, federal taxes shall be considered to have been

deducted only to the extent such deduction does not reduce Kansas taxable income below zero.

(v) The amount of any depreciation deduction or business expense deduction claimed on the taxpayer's federal income tax return for any capital expenditure in making any building or facility accessible to the handicapped, for which expenditure the taxpayer claimed the credit allowed by K.S.A. 79-32,177, and amendments thereto.

(vi) Any amount of designated employee contributions picked up by an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965, and amendments thereto.

(vii) The amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-32,196, and amendments thereto.

(viii) The amount of any costs incurred for improvements to a swine facility, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,204, and amendments thereto.

(ix) The amount of any ad valorem taxes and assessments paid and the amount of any costs incurred for habitat management or construction and maintenance of improvements on real property, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203, and amendments thereto.

(x) Amounts received as nonqualified withdrawals, as defined by K.S.A. 75-643, and amendments thereto, if, at the time of contribution to a family postsecondary education savings account, such amounts were subtracted from the federal adjusted gross income pursuant to subsection (c)(xv) or if such amounts are not already included in the federal adjusted gross income.

(xi) The amount of any contribution made to the same extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 74-50,154, and amendments thereto.

(xii) For taxable years commencing after December 31, 2004, amounts received as withdrawals not in accordance with the provisions of K.S.A. 74-50,204, and amendments thereto, if, at the time of contribution to an individual development account, such amounts were subtracted from the federal adjusted gross income pursuant to subsection (c)(xiii), or if such amounts are not already included in the federal adjusted gross income.

(xiii) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,217 through 79-32,220 or 79-32,222, and amendments thereto.

(xiv) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 79-32,221, and amendments thereto.

(xv) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,223 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-32,251 through 79-32,254, and amendments thereto.

(xvi) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to

K.S.A. 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

(xvii) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 79-32,256, and amendments thereto.

(xviii) For taxable years commencing after December 31, 2006, the amount of any ad valorem or property taxes and assessments paid to a state other than Kansas or local government located in a state other than Kansas by a taxpayer who resides in a state other than Kansas, when the law of such state does not allow a resident of Kansas who earns income in such other state to claim a deduction for ad valorem or property taxes or assessments paid to a political subdivision of the state of Kansas in determining taxable income for income tax purposes in such other state, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xix) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Loss from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) loss from rental real estate, royalties, partnerships, S corporations, except those with wholly owned subsidiaries subject to the Kansas privilege tax, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) farm loss as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent deducted or subtracted in determining the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011, and as revised thereafter by the internal revenue service.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for self-employment taxes under section 164(f) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer, to the extent the deduction is attributable to income reported on schedule C, E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income tax return.

(xxi) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for pension, profit sharing, and annuity plans of self-employed individuals under section 62(a)(6) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for health insurance under section 162(l) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for domestic production activities under section 199 of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual

taxpayer.

(xxiv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid for medical care of the taxpayer or the taxpayer's spouse or dependents when such expenses were paid or incurred for an abortion, or for a health benefit plan, as defined in K.S.A. 65-6731, and amendments thereto, for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xxv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid by a taxpayer for health care when such expenses were paid or incurred for abortion coverage, a health benefit plan, as defined in K.S.A. 65-6731, and amendments thereto, when such expenses were paid or incurred for abortion coverage or amounts contributed to health savings accounts for such taxpayer's employees for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as a deduction for federal income tax purposes.

(xxvi) For all taxable years beginning after December 31, 2016, the amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 72-4357, and amendments thereto, and is also claimed as an itemized deduction for federal income tax purposes.

(xxvii) For all taxable years commencing after December 31, 2020, the amount ~~deducted by reason of a~~ of any interest expense paid or accrued in a previous taxable year but allowed as a deduction pursuant to section 163 of the federal internal revenue code in the current taxable year by reason of the carryforward of disallowed business interest pursuant to section 163(j) of the federal internal revenue code of 1986, as in effect on January 1, 2018. For purposes of this paragraph, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable pursuant to section 163 of the federal internal revenue code if the limitation pursuant to section 163(j) of the federal internal revenue code did not exist.

(xxviii) For all taxable years beginning after December 31, 2021, the amount of any contributions to, or earnings from, a first-time home buyer savings account if distributions from the account were not used to pay for expenses or transactions authorized pursuant to K.S.A. 2023 Supp. 58-4904, and amendments thereto, or were not held for the minimum length of time required pursuant to K.S.A. 2023 Supp. 58-4904, and amendments thereto. Contributions to, or earnings from, such account shall also include any amount resulting from the account holder not designating a surviving payable on death beneficiary pursuant to K.S.A. 2023 Supp. 58-4904(e), and amendments thereto.

(xxix) For all taxable years beginning after December 31, 2024, the amount of any contributions to, or earnings from, an adoption savings account if distributions from the account were not used to pay for expenses or transactions authorized pursuant to section 4 of 2024 House Bill No. 2465, and amendments thereto, or were not held for the minimum length of time required pursuant to section 4 of 2024 House Bill No. 2465, and amendments thereto. Contributions to, or earnings from, such account shall also include any amount resulting from the account holder not designating a surviving

payable on death beneficiary pursuant to section 4(e) of 2024 House Bill No. 2465, and amendments thereto.

(c) There shall be subtracted from federal adjusted gross income:

(i) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States and its possessions less any related expenses directly incurred in the purchase of such obligations or securities, to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(ii) Any amounts received which are included in federal adjusted gross income but which are specifically exempt from Kansas income taxation under the laws of the state of Kansas.

(iii) The portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Kansas income tax purposes than for federal income tax purposes on the date such property was sold or disposed of in a transaction in which gain or loss was recognized for purposes of federal income tax that does not exceed such difference in basis, but if a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to that portion of such gain which is included in federal adjusted gross income.

(iv) The amount necessary to prevent the taxation under this act of any annuity or other amount of income or gain which was properly included in income or gain and was taxed under the laws of this state for a taxable year prior to the effective date of this act, as amended, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain.

(v) The amount of any refund or credit for overpayment of taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state, or any taxing jurisdiction, to the extent included in gross income for federal income tax purposes.

(vi) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income.

(vii) Amounts received as annuities under the federal civil service retirement system from the civil service retirement and disability fund and other amounts received as retirement benefits in whatever form which were earned for being employed by the federal government or for service in the armed forces of the United States.

(viii) Amounts received by retired railroad employees as a supplemental annuity under the provisions of 45 U.S.C. §§ 228b(a) and 228c(a)(1) et seq.

(ix) Amounts received by retired employees of a city and by retired employees of any board of such city as retirement allowances pursuant to K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter ordinance exempting a city from the provisions of K.S.A. 13-14,106, and amendments thereto.

~~(x) (1) For taxable years beginning after December 31, 1976, 2021, the amount of the any federal tentative jobs tax credit disallowance under the provisions of 26 U.S.C. § 280C(a). For taxable years ending after December 31, 1978, the amount of the targeted jobs tax credit and work incentive credit disallowances under 26 U.S.C. § 280C.~~

(2) For taxable years beginning after December 31, 2019, and ending before January 1, 2022, 50% of the amount of the federal employee retention credit disallowance under rules similar to the rules of 26 U.S.C. § 280C(a). The taxpayer shall

be required to prove that such taxpayer previously filed Kansas income tax returns and paid Kansas income tax on the disallowed amount. Notwithstanding any other provision of law to the contrary, any claim for refund or amended return relating to this subparagraph shall be allowed to be filed on or before April 15, 2025, and no claim for refund or amended return shall be allowed or filed after April 15, 2025.

(xi) For taxable years beginning after December 31, 1986, dividend income on stock issued by Kansas venture capital, inc.

(xii) For taxable years beginning after December 31, 1989, amounts received by retired employees of a board of public utilities as pension and retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249, and amendments thereto.

(xiii) For taxable years beginning after December 31, 2004, amounts contributed to and the amount of income earned on contributions deposited to an individual development account under K.S.A. 74-50,201 et seq., and amendments thereto.

(xiv) For all taxable years commencing after December 31, 1996, that portion of any income of a bank organized under the laws of this state or any other state, a national banking association organized under the laws of the United States, an association organized under the savings and loan code of this state or any other state, or a federal savings association organized under the laws of the United States, for which an election as an S corporation under subchapter S of the federal internal revenue code is in effect, which accrues to the taxpayer who is a stockholder of such corporation and which is not distributed to the stockholders as dividends of the corporation. For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of modification under this subsection shall exclude the portion of income or loss reported on schedule E and included on line 17 of the taxpayer's form 1040 federal individual income tax return.

(xv) The cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple filing a joint return, for each designated beneficiary that are contributed to: (1) A family postsecondary education savings account established under the Kansas postsecondary education savings program or a qualified tuition program established and maintained by another state or agency or instrumentality thereof pursuant to section 529 of the internal revenue code of 1986, as amended, for the purpose of paying the qualified higher education expenses of a designated beneficiary; or (2) an achieving a better life experience (ABLE) account established under the Kansas ABLE savings program or a qualified ABLE program established and maintained by another state or agency or instrumentality thereof pursuant to section 529A of the internal revenue code of 1986, as amended, for the purpose of saving private funds to support an individual with a disability. The terms and phrases used in this paragraph shall have the meaning respectively ascribed thereto by the provisions of K.S.A. 75-643 and 75-652, and amendments thereto, and the provisions of such sections are hereby incorporated by reference for all purposes thereof. For all taxable years beginning after December 31, 2022, contributions made to a qualified tuition program account or a qualified ABLE program account pursuant to this paragraph on and after January 1 but prior to the date required for filing a return pursuant to K.S.A. 79-3221, and amendments thereto, of the successive taxable year may be elected by the taxpayer to apply to the prior taxable year if such election is made at the time of filing the return. No contribution shall be used as a modification pursuant to this paragraph in more than one taxable year.

(xvi) For all taxable years beginning after December 31, 2004, amounts received by

taxpayers who are or were members of the armed forces of the United States, including service in the Kansas army and air national guard, as a recruitment, sign up or retention bonus received by such taxpayer as an incentive to join, enlist or remain in the armed services of the United States, including service in the Kansas army and air national guard, and amounts received for repayment of educational or student loans incurred by or obligated to such taxpayer and received by such taxpayer as a result of such taxpayer's service in the armed forces of the United States, including service in the Kansas army and air national guard.

(xvii) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are eligible members of the Kansas army and air national guard as a reimbursement pursuant to K.S.A. 48-281, and amendments thereto, and amounts received for death benefits pursuant to K.S.A. 48-282, and amendments thereto, to the extent that such death benefits are included in federal adjusted gross income of the taxpayer.

(xviii) For the taxable year beginning after December 31, 2006, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$50,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly; and for all taxable years beginning after December 31, 2007, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$75,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly.

(xix) Amounts received by retired employees of Washburn university as retirement and pension benefits under the university's retirement plan.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Net profit from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) net income, not including guaranteed payments as defined in section 707(c) of the federal internal revenue code and as reported to the taxpayer from federal schedule K-1, (form 1065-B), in box 9, code F or as reported to the taxpayer from federal schedule K-1, (form 1065) in box 4, from rental real estate, royalties, partnerships, S corporations, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) net farm profit as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent included in the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011 and as revised thereafter by the internal revenue service.

(xxi) For all taxable years beginning after December 31, 2013, amounts equal to the unreimbursed travel, lodging and medical expenditures directly incurred by a taxpayer while living, or a dependent of the taxpayer while living, for the donation of one or more human organs of the taxpayer, or a dependent of the taxpayer, to another person for human organ transplantation. The expenses may be claimed as a subtraction

modification provided for in this section to the extent the expenses are not already subtracted from the taxpayer's federal adjusted gross income. In no circumstances shall the subtraction modification provided for in this section for any individual, or a dependent, exceed \$5,000. As used in this section, "human organ" means all or part of a liver, pancreas, kidney, intestine, lung or bone marrow. The provisions of this paragraph shall take effect on the day the secretary of revenue certifies to the director of the budget that the cost for the department of revenue of modifications to the automated tax system for the purpose of implementing this paragraph will not exceed \$20,000.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of net gain from the sale of: (1) Cattle and horses, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 24 months or more from the date of acquisition; and (2) other livestock, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 12 months or more from the date of acquisition. The subtraction from federal adjusted gross income shall be limited to the amount of the additions recognized under the provisions of subsection (b)(xix) attributable to the business in which the livestock sold had been used. As used in this paragraph, the term "livestock" shall not include poultry.

(xxiii) For all taxable years beginning after December 31, 2012, amounts received under either the Overland Park, Kansas police department retirement plan or the Overland Park, Kansas fire department retirement plan, both as established by the city of Overland Park, pursuant to the city's home rule authority.

(xxiv) For taxable years beginning after December 31, 2013, and ending before January 1, 2017, the net gain from the sale from Christmas trees grown in Kansas and held by the taxpayer for six years or more.

(xxv) For all taxable years commencing after December 31, 2020, 100% of global intangible low-taxed income under section 951A of the federal internal revenue code of 1986, before any deductions allowed under section 250(a)(1)(B) of such code.

(xxvi) (1) For all taxable years commencing after December 31, 2020, the amount of any interest expense paid or accrued in the current taxable year and disallowed as a deduction pursuant to section 163(j) of the federal internal revenue code of 1986, as in effect on January 1, 2018.

(2) For purposes of this paragraph, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable pursuant to section 163 of the federal internal revenue code if the limitation pursuant to section 163(j) of the federal internal revenue code did not exist.

(3) For tax year 2021, an amount equal to the sum of any interest expenses paid or accrued in tax years 2018, 2019 and 2020 less the sum of amounts allowed as a deduction pursuant to section 163 of the federal internal revenue code in tax years 2018, 2019 and 2020.

(xxvii) For taxable years commencing after December 31, 2020, the amount disallowed as a deduction pursuant to section 274 of the federal internal revenue code of 1986 for meal expenditures shall be allowed to the extent such expense was deductible for determining federal income tax and was allowed and in effect on December 31, 2017.

(xxviii) For all taxable years beginning after December 31, 2021: (1) The amount contributed to a first-time home buyer savings account pursuant to K.S.A. 2023 Supp.

58-4903, and amendments thereto, in an amount not to exceed \$3,000 for an individual or \$6,000 for a married couple filing a joint return; or (2) amounts received as income earned from assets in a first-time home buyer savings account. For all taxable years beginning after December 31, 2022, contributions made to a first-time home buyer savings account pursuant to subparagraph (1) on and after January 1 but prior to the date required for filing a return pursuant to K.S.A. 79-3221, and amendments thereto, of the successive taxable year may be elected by the taxpayer to apply to the prior taxable year if such election is made at the time of filing the return. No contribution shall be used as a modification pursuant to subparagraph (1) in more than one taxable year.

(xxix) For taxable years beginning after December 31, 2017, for an individual taxpayer who carried back federal net operating losses arising in a taxable year beginning after December 31, 2017, and before January 1, 2021, pursuant to section 172(b)(1) of the federal internal revenue code as amended by the coronavirus aid, relief, and economic security act (CARES act), the amount of such federal net operating loss carryback for each applicable year. If the amount of such federal net operating loss carryback exceeds the taxpayer's Kansas adjusted gross income for such taxable year, the amount thereof that exceeds such Kansas adjusted gross income may be carried forward as a subtraction modification in the following taxable year or years until the total amount of such federal net operating loss carryback has been deducted, except that no such unused amount shall be carried forward for deduction as a subtraction modification after the 20th taxable year following the taxable year of the net operating loss. Notwithstanding any other provision of law to the contrary, an extension of time shall be allowed for a claim for refund or amended return for tax years 2018, 2019 or 2020 limited to the application of the provisions of this paragraph and such claim for refund or amended return must be filed on or before April 15, 2025.

(xxx) For all taxable years beginning after December 31, 2024: (1) The amount contributed to an adoption savings account pursuant to section 3 of 2024 House Bill No. 2465, and amendments thereto, in an amount not to exceed \$6,000 for an individual or \$12,000 for a married couple filing a joint return; or (2) amounts received as income earned from assets in an adoption savings account.

(d) There shall be added to or subtracted from federal adjusted gross income the taxpayer's share, as beneficiary of an estate or trust, of the Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and amendments thereto.

(e) The amount of modifications required to be made under this section by a partner which relates to items of income, gain, loss, deduction or credit of a partnership shall be determined under K.S.A. 79-32,131, and amendments thereto, to the extent that such items affect federal adjusted gross income of the partner.

Sec. 15. K.S.A. 2023 Supp. 79-3606, as amended by section 5 of 2023 House Bill No. 2098 is hereby amended to read as follows: 79-3606. The following shall be exempt from the tax imposed by this act:

(a) All sales of motor-vehicle fuel or other articles upon which a sales or excise tax has been paid, not subject to refund, under the laws of this state except cigarettes and electronic cigarettes as defined by K.S.A. 79-3301, and amendments thereto, including consumable material for such electronic cigarettes, cereal malt beverages and malt products as defined by K.S.A. 79-3817, and amendments thereto, including wort, liquid malt, malt syrup and malt extract, that is not subject to taxation under the provisions of K.S.A. 79-41a02, and amendments thereto, motor vehicles taxed pursuant to K.S.A. 79-

5117, and amendments thereto, tires taxed pursuant to K.S.A. 65-3424d, and amendments thereto, drycleaning and laundry services taxed pursuant to K.S.A. 65-34,150, and amendments thereto, and gross receipts from regulated sports contests taxed pursuant to the Kansas professional regulated sports act, and amendments thereto;

(b) all sales of tangible personal property or service, including the renting and leasing of tangible personal property, purchased directly by the state of Kansas, a political subdivision thereof, other than a school or educational institution, or purchased by a public or private nonprofit hospital, public hospital authority, nonprofit blood, tissue or organ bank or nonprofit integrated community care organization and used exclusively for state, political subdivision, hospital, public hospital authority, nonprofit blood, tissue or organ bank or nonprofit integrated community care organization purposes, except when: (1) Such state, hospital or public hospital authority is engaged or proposes to engage in any business specifically taxable under the provisions of this act and such items of tangible personal property or service are used or proposed to be used in such business; or (2) such political subdivision is engaged or proposes to engage in the business of furnishing gas, electricity or heat to others and such items of personal property or service are used or proposed to be used in such business;

(c) all sales of tangible personal property or services, including the renting and leasing of tangible personal property, purchased directly by a public or private elementary or secondary school or public or private nonprofit educational institution and used primarily by such school or institution for nonsectarian programs and activities provided or sponsored by such school or institution or in the erection, repair or enlargement of buildings to be used for such purposes. The exemption herein provided shall not apply to erection, construction, repair, enlargement or equipment of buildings used primarily for human habitation, except that such exemption shall apply to the erection, construction, repair, enlargement or equipment of buildings used for human habitation by the cerebral palsy research foundation of Kansas located in Wichita, Kansas, multi community diversified services, incorporated, located in McPherson, Kansas, the Kansas state school for the blind and the Kansas state school for the deaf;

(d) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any public or private nonprofit hospital or public hospital authority, public or private elementary or secondary school, a public or private nonprofit educational institution, state correctional institution including a privately constructed correctional institution contracted for state use and ownership, that would be exempt from taxation under the provisions of this act if purchased directly by such hospital or public hospital authority, school, educational institution or a state correctional institution; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any political subdivision of the state or district described in subsection (s), the total cost of which is paid from funds of such political subdivision or district and that would be exempt from taxation under the provisions of this act if purchased directly by such political subdivision or district. Nothing in this subsection or in the provisions of K.S.A. 12-3418, and amendments thereto, shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any political subdivision of

the state or any such district. As used in this subsection, K.S.A. 12-3418 and 79-3640, and amendments thereto, "funds of a political subdivision" shall mean general tax revenues, the proceeds of any bonds and gifts or grants-in-aid. Gifts shall not mean funds used for the purpose of constructing, equipping, reconstructing, repairing, enlarging, furnishing or remodeling facilities that are to be leased to the donor. When any political subdivision of the state, district described in subsection (s), public or private nonprofit hospital or public hospital authority, public or private elementary or secondary school, public or private nonprofit educational institution, state correctional institution including a privately constructed correctional institution contracted for state use and ownership shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the political subdivision, district described in subsection (s), hospital or public hospital authority, school, educational institution or department of corrections concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. As an alternative to the foregoing procedure, any such contracting entity may apply to the secretary of revenue for agent status for the sole purpose of issuing and furnishing project exemption certificates to contractors pursuant to rules and regulations adopted by the secretary establishing conditions and standards for the granting and maintaining of such status. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the political subdivision, district described in subsection (s), hospital or public hospital authority, school, educational institution or the contractor contracting with the department of corrections for a correctional institution concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(e) all sales of tangible personal property or services purchased by a contractor for the erection, repair or enlargement of buildings or other projects for the government of the United States, its agencies or instrumentalities, that would be exempt from taxation if purchased directly by the government of the United States, its agencies or

instrumentalities. When the government of the United States, its agencies or instrumentalities shall contract for the erection, repair, or enlargement of any building or other project, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the government of the United States, its agencies or instrumentalities concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. As an alternative to the foregoing procedure, any such contracting entity may apply to the secretary of revenue for agent status for the sole purpose of issuing and furnishing project exemption certificates to contractors pursuant to rules and regulations adopted by the secretary establishing conditions and standards for the granting and maintaining of such status. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(f) tangible personal property purchased by a railroad or public utility for consumption or movement directly and immediately in interstate commerce;

(g) sales of aircraft including remanufactured and modified aircraft sold to persons using directly or through an authorized agent such aircraft as certified or licensed carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States or any foreign government or sold to any foreign government or agency or instrumentality of such foreign government and all sales of aircraft for use outside of the United States and sales of aircraft repair, modification and replacement parts and sales of services employed in the remanufacture, modification and repair of aircraft;

(h) all rentals of nonsectarian textbooks by public or private elementary or secondary schools;

(i) the lease or rental of all films, records, tapes, or any type of sound or picture transcriptions used by motion picture exhibitors;

(j) meals served without charge or food used in the preparation of such meals to employees of any restaurant, eating house, dining car, hotel, drugstore or other place where meals or drinks are regularly sold to the public if such employees' duties are related to the furnishing or sale of such meals or drinks;

(k) any motor vehicle, semitrailer or pole trailer, as such terms are defined by K.S.A. 8-126, and amendments thereto, or aircraft sold and delivered in this state to a bona fide resident of another state, which motor vehicle, semitrailer, pole trailer or aircraft is not to be registered or based in this state and which vehicle, semitrailer, pole trailer or aircraft will not remain in this state more than 10 days;

(l) all isolated or occasional sales of tangible personal property, services, substances or things, except isolated or occasional sale of motor vehicles specifically taxed under

the provisions of K.S.A. 79-3603(o), and amendments thereto;

(m) all sales of tangible personal property that become an ingredient or component part of tangible personal property or services produced, manufactured or compounded for ultimate sale at retail within or without the state of Kansas; and any such producer, manufacturer or compounder may obtain from the director of taxation and furnish to the supplier an exemption certificate number for tangible personal property for use as an ingredient or component part of the property or services produced, manufactured or compounded;

(n) all sales of tangible personal property that is consumed in the production, manufacture, processing, mining, drilling, refining or compounding of tangible personal property, the treating of by-products or wastes derived from any such production process, the providing of services or the irrigation of crops for ultimate sale at retail within or without the state of Kansas; and any purchaser of such property may obtain from the director of taxation and furnish to the supplier an exemption certificate number for tangible personal property for consumption in such production, manufacture, processing, mining, drilling, refining, compounding, treating, irrigation and in providing such services;

(o) all sales of animals, fowl and aquatic plants and animals, the primary purpose of which is use in agriculture or aquaculture, as defined in K.S.A. 47-1901, and amendments thereto, the production of food for human consumption, the production of animal, dairy, poultry or aquatic plant and animal products, fiber or fur, or the production of offspring for use for any such purpose or purposes;

(p) all sales of drugs dispensed pursuant to a prescription order by a licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto. As used in this subsection, "drug" means a compound, substance or preparation and any component of a compound, substance or preparation, other than food and food ingredients, dietary supplements or alcoholic beverages, recognized in the official United States pharmacopeia, official homeopathic pharmacopoeia of the United States or official national formulary, and supplement to any of them, intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease or intended to affect the structure or any function of the body, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of drugs used in the performance or induction of an abortion, as defined in K.S.A. 65-6701, and amendments thereto;

(q) all sales of insulin dispensed by a person licensed by the state board of pharmacy to a person for treatment of diabetes at the direction of a person licensed to practice medicine by the state board of healing arts;

(r) all sales of oxygen delivery equipment, kidney dialysis equipment, enteral feeding systems, prosthetic devices and mobility enhancing equipment prescribed in writing by a person licensed to practice the healing arts, dentistry or optometry, and in addition to such sales, all sales of hearing aids, as defined by K.S.A. 74-5807(c), and amendments thereto, and repair and replacement parts therefor, including batteries, by a person licensed in the practice of dispensing and fitting hearing aids pursuant to the provisions of K.S.A. 74-5808, and amendments thereto. For the purposes of this subsection: (1) "Mobility enhancing equipment" means equipment including repair and replacement parts to same, but does not include durable medical equipment, which is primarily and customarily used to provide or increase the ability to move from one

place to another and which is appropriate for use either in a home or a motor vehicle; is not generally used by persons with normal mobility; and does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer; and (2) "prosthetic device" means a replacement, corrective or supportive device including repair and replacement parts for same worn on or in the body to artificially replace a missing portion of the body, prevent or correct physical deformity or malfunction or support a weak or deformed portion of the body;

(s) except as provided in K.S.A. 82a-2101, and amendments thereto, all sales of tangible personal property or services purchased directly or indirectly by a groundwater management district organized or operating under the authority of K.S.A. 82a-1020 et seq., and amendments thereto, by a rural water district organized or operating under the authority of K.S.A. 82a-612, and amendments thereto, or by a water supply district organized or operating under the authority of K.S.A. 19-3501 et seq., 19-3522 et seq. or 19-3545, and amendments thereto, which property or services are used in the construction activities, operation or maintenance of the district;

(t) all sales of farm machinery and equipment or aquaculture machinery and equipment, repair and replacement parts therefor and services performed in the repair and maintenance of such machinery and equipment. For the purposes of this subsection the term "farm machinery and equipment or aquaculture machinery and equipment" shall include a work-site utility vehicle, as defined in K.S.A. 8-126, and amendments thereto, and is equipped with a bed or cargo box for hauling materials, and shall also include machinery and equipment used in the operation of Christmas tree farming but shall not include any passenger vehicle, truck, truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as such terms are defined by K.S.A. 8-126, and amendments thereto. "Farm machinery and equipment" includes precision farming equipment that is portable or is installed or purchased to be installed on farm machinery and equipment. "Precision farming equipment" includes the following items used only in computer-assisted farming, ranching or aquaculture production operations: Soil testing sensors, yield monitors, computers, monitors, software, global positioning and mapping systems, guiding systems, modems, data communications equipment and any necessary mounting hardware, wiring and antennas. Each purchaser of farm machinery and equipment or aquaculture machinery and equipment exempted herein must certify in writing on the copy of the invoice or sales ticket to be retained by the seller that the farm machinery and equipment or aquaculture machinery and equipment purchased will be used only in farming, ranching or aquaculture production. Farming or ranching shall include the operation of a feedlot and farm and ranch work for hire and the operation of a nursery;

(u) all leases or rentals of tangible personal property used as a dwelling if such tangible personal property is leased or rented for a period of more than 28 consecutive days;

(v) all sales of tangible personal property to any contractor for use in preparing meals for delivery to homebound elderly persons over 60 years of age and to homebound disabled persons or to be served at a group-sitting at a location outside of the home to otherwise homebound elderly persons over 60 years of age and to otherwise homebound disabled persons, as all or part of any food service project funded in whole or in part by government or as part of a private nonprofit food service project available to all such elderly or disabled persons residing within an area of service

designated by the private nonprofit organization, and all sales of tangible personal property for use in preparing meals for consumption by indigent or homeless individuals whether or not such meals are consumed at a place designated for such purpose, and all sales of food products by or on behalf of any such contractor or organization for any such purpose;

(w) all sales of natural gas, electricity, heat and water delivered through mains, lines or pipes: (1) To residential premises for noncommercial use by the occupant of such premises; (2) for agricultural use and also, for such use, all sales of propane gas; (3) for use in the severing of oil; and (4) to any property which is exempt from property taxation pursuant to K.S.A. 79-201b, Second through Sixth. As used in this paragraph, "severing" means the same as defined in K.S.A. 79-4216(k), and amendments thereto. For all sales of natural gas, electricity and heat delivered through mains, lines or pipes pursuant to the provisions of subsection (w)(1) and (w)(2), the provisions of this subsection shall expire on December 31, 2005;

(x) all sales of propane gas, LP-gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises occurring prior to January 1, 2006;

(y) all sales of materials and services used in the repairing, servicing, altering, maintaining, manufacturing, remanufacturing, or modification of railroad rolling stock for use in interstate or foreign commerce under authority of the laws of the United States;

(z) all sales of tangible personal property and services purchased directly by a port authority or by a contractor therefor as provided by the provisions of K.S.A. 12-3418, and amendments thereto;

(aa) all sales of materials and services applied to equipment that is transported into the state from without the state for repair, service, alteration, maintenance, remanufacture or modification and that is subsequently transported outside the state for use in the transmission of liquids or natural gas by means of pipeline in interstate or foreign commerce under authority of the laws of the United States;

(bb) all sales of used mobile homes or manufactured homes. As used in this subsection: (1) "Mobile homes" and "manufactured homes" mean the same as defined in K.S.A. 58-4202, and amendments thereto; and (2) "sales of used mobile homes or manufactured homes" means sales other than the original retail sale thereof;

(cc) all sales of tangible personal property or services purchased prior to January 1, 2012, except as otherwise provided, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business or retail business that meets the requirements established in K.S.A. 74-50,115, and amendments thereto, and the sale and installation of machinery and equipment purchased for installation at any such business or retail business, and all sales of tangible personal property or services purchased on or after January 1, 2012, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business that meets the requirements established in K.S.A. 74-50,115(e), and amendments thereto, and the sale and installation of machinery and equipment purchased for installation at any such business. When a person shall contract for the construction, reconstruction, enlargement or remodeling of any such business or retail business, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in

such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the owner of the business or retail business a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. As used in this subsection, "business" and "retail business" mean the same as defined in K.S.A. 74-50,114, and amendments thereto. Project exemption certificates that have been previously issued under this subsection by the department of revenue pursuant to K.S.A. 74-50,115, and amendments thereto, but not including K.S.A. 74-50,115(e), and amendments thereto, prior to January 1, 2012, and have not expired will be effective for the term of the project or two years from the effective date of the certificate, whichever occurs earlier. Project exemption certificates that are submitted to the department of revenue prior to January 1, 2012, and are found to qualify will be issued a project exemption certificate that will be effective for a two-year period or for the term of the project, whichever occurs earlier;

(dd) all sales of tangible personal property purchased with food stamps issued by the United States department of agriculture;

(ee) all sales of lottery tickets and shares made as part of a lottery operated by the state of Kansas;

(ff) on and after July 1, 1988, all sales of new mobile homes or manufactured homes to the extent of 40% of the gross receipts, determined without regard to any trade-in allowance, received from such sale. As used in this subsection, "mobile homes" and "manufactured homes" mean the same as defined in K.S.A. 58-4202, and amendments thereto;

(gg) all sales of tangible personal property purchased in accordance with vouchers issued pursuant to the federal special supplemental food program for women, infants and children;

(hh) all sales of medical supplies and equipment, including durable medical equipment, purchased directly by a nonprofit skilled nursing home or nonprofit intermediate nursing care home, as defined by K.S.A. 39-923, and amendments thereto, for the purpose of providing medical services to residents thereof. This exemption shall not apply to tangible personal property customarily used for human habitation purposes. As used in this subsection, "durable medical equipment" means equipment including repair and replacement parts for such equipment, that can withstand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of illness or injury and is not worn in or on the body, but does not include mobility enhancing equipment as defined in subsection (r), oxygen delivery equipment, kidney dialysis equipment or enteral feeding systems;

(ii) all sales of tangible personal property purchased directly by a nonprofit

organization for nonsectarian comprehensive multidiscipline youth development programs and activities provided or sponsored by such organization, and all sales of tangible personal property by or on behalf of any such organization. This exemption shall not apply to tangible personal property customarily used for human habitation purposes;

(jj) all sales of tangible personal property or services, including the renting and leasing of tangible personal property, purchased directly on behalf of a community-based facility for people with intellectual disability or mental health center organized pursuant to K.S.A. 19-4001 et seq., and amendments thereto, and licensed in accordance with the provisions of K.S.A. 39-2001 et seq., and amendments thereto, and all sales of tangible personal property or services purchased by contractors during the time period from July, 2003, through June, 2006, for the purpose of constructing, equipping, maintaining or furnishing a new facility for a community-based facility for people with intellectual disability or mental health center located in Riverton, Cherokee County, Kansas, that would have been eligible for sales tax exemption pursuant to this subsection if purchased directly by such facility or center. This exemption shall not apply to tangible personal property customarily used for human habitation purposes;

(kk) (1) (A) all sales of machinery and equipment that are used in this state as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility;

(B) all sales of installation, repair and maintenance services performed on such machinery and equipment; and

(C) all sales of repair and replacement parts and accessories purchased for such machinery and equipment.

(2) For purposes of this subsection:

(A) "Integrated production operation" means an integrated series of operations engaged in at a manufacturing or processing plant or facility to process, transform or convert tangible personal property by physical, chemical or other means into a different form, composition or character from that in which it originally existed. Integrated production operations shall include: (i) Production line operations, including packaging operations; (ii) preproduction operations to handle, store and treat raw materials; (iii) post production handling, storage, warehousing and distribution operations; and (iv) waste, pollution and environmental control operations, if any;

(B) "production line" means the assemblage of machinery and equipment at a manufacturing or processing plant or facility where the actual transformation or processing of tangible personal property occurs;

(C) "manufacturing or processing plant or facility" means a single, fixed location owned or controlled by a manufacturing or processing business that consists of one or more structures or buildings in a contiguous area where integrated production operations are conducted to manufacture or process tangible personal property to be ultimately sold at retail. Such term shall not include any facility primarily operated for the purpose of conveying or assisting in the conveyance of natural gas, electricity, oil or water. A business may operate one or more manufacturing or processing plants or facilities at different locations to manufacture or process a single product of tangible personal property to be ultimately sold at retail;

(D) "manufacturing or processing business" means a business that utilizes an integrated production operation to manufacture, process, fabricate, finish or assemble

items for wholesale and retail distribution as part of what is commonly regarded by the general public as an industrial manufacturing or processing operation or an agricultural commodity processing operation. (i) Industrial manufacturing or processing operations include, by way of illustration but not of limitation, the fabrication of automobiles, airplanes, machinery or transportation equipment, the fabrication of metal, plastic, wood or paper products, electricity power generation, water treatment, petroleum refining, chemical production, wholesale bottling, newspaper printing, ready mixed concrete production, and the remanufacturing of used parts for wholesale or retail sale. Such processing operations shall include operations at an oil well, gas well, mine or other excavation site where the oil, gas, minerals, coal, clay, stone, sand or gravel that has been extracted from the earth is cleaned, separated, crushed, ground, milled, screened, washed or otherwise treated or prepared before its transmission to a refinery or before any other wholesale or retail distribution. (ii) Agricultural commodity processing operations include, by way of illustration but not of limitation, meat packing, poultry slaughtering and dressing, processing and packaging farm and dairy products in sealed containers for wholesale and retail distribution, feed grinding, grain milling, frozen food processing, and grain handling, cleaning, blending, fumigation, drying and aeration operations engaged in by grain elevators or other grain storage facilities. (iii) Manufacturing or processing businesses do not include, by way of illustration but not of limitation, nonindustrial businesses whose operations are primarily retail and that produce or process tangible personal property as an incidental part of conducting the retail business, such as retailers who bake, cook or prepare food products in the regular course of their retail trade, grocery stores, meat lockers and meat markets that butcher or dress livestock or poultry in the regular course of their retail trade, contractors who alter, service, repair or improve real property, and retail businesses that clean, service or refurbish and repair tangible personal property for its owner;

(E) "repair and replacement parts and accessories" means all parts and accessories for exempt machinery and equipment, including, but not limited to, dies, jigs, molds, patterns and safety devices that are attached to exempt machinery or that are otherwise used in production, and parts and accessories that require periodic replacement such as belts, drill bits, grinding wheels, grinding balls, cutting bars, saws, refractory brick and other refractory items for exempt kiln equipment used in production operations;

(F) "primary" or "primarily" mean more than 50% of the time.

(3) For purposes of this subsection, machinery and equipment shall be deemed to be used as an integral or essential part of an integrated production operation when used to:

(A) Receive, transport, convey, handle, treat or store raw materials in preparation of its placement on the production line;

(B) transport, convey, handle or store the property undergoing manufacturing or processing at any point from the beginning of the production line through any warehousing or distribution operation of the final product that occurs at the plant or facility;

(C) act upon, effect, promote or otherwise facilitate a physical change to the property undergoing manufacturing or processing;

(D) guide, control or direct the movement of property undergoing manufacturing or processing;

(E) test or measure raw materials, the property undergoing manufacturing or

processing or the finished product, as a necessary part of the manufacturer's integrated production operations;

(F) plan, manage, control or record the receipt and flow of inventories of raw materials, consumables and component parts, the flow of the property undergoing manufacturing or processing and the management of inventories of the finished product;

(G) produce energy for, lubricate, control the operating of or otherwise enable the functioning of other production machinery and equipment and the continuation of production operations;

(H) package the property being manufactured or processed in a container or wrapping in which such property is normally sold or transported;

(I) transmit or transport electricity, coke, gas, water, steam or similar substances used in production operations from the point of generation, if produced by the manufacturer or processor at the plant site, to that manufacturer's production operation; or, if purchased or delivered from off-site, from the point where the substance enters the site of the plant or facility to that manufacturer's production operations;

(J) cool, heat, filter, refine or otherwise treat water, steam, acid, oil, solvents or other substances that are used in production operations;

(K) provide and control an environment required to maintain certain levels of air quality, humidity or temperature in special and limited areas of the plant or facility, where such regulation of temperature or humidity is part of and essential to the production process;

(L) treat, transport or store waste or other byproducts of production operations at the plant or facility; or

(M) control pollution at the plant or facility where the pollution is produced by the manufacturing or processing operation.

(4) The following machinery, equipment and materials shall be deemed to be exempt even though it may not otherwise qualify as machinery and equipment used as an integral or essential part of an integrated production operation: (A) Computers and related peripheral equipment that are utilized by a manufacturing or processing business for engineering of the finished product or for research and development or product design; (B) machinery and equipment that is utilized by a manufacturing or processing business to manufacture or rebuild tangible personal property that is used in manufacturing or processing operations, including tools, dies, molds, forms and other parts of qualifying machinery and equipment; (C) portable plants for aggregate concrete, bulk cement and asphalt including cement mixing drums to be attached to a motor vehicle; (D) industrial fixtures, devices, support facilities and special foundations necessary for manufacturing and production operations, and materials and other tangible personal property sold for the purpose of fabricating such fixtures, devices, facilities and foundations. An exemption certificate for such purchases shall be signed by the manufacturer or processor. If the fabricator purchases such material, the fabricator shall also sign the exemption certificate; (E) a manufacturing or processing business' laboratory equipment that is not located at the plant or facility, but that would otherwise qualify for exemption under subsection (3)(E); (F) all machinery and equipment used in surface mining activities as described in K.S.A. 49-601 et seq., and amendments thereto, beginning from the time a reclamation plan is filed to the acceptance of the completed final site reclamation.

(5) "Machinery and equipment used as an integral or essential part of an integrated

production operation" shall not include:

(A) Machinery and equipment used for nonproduction purposes, including, but not limited to, machinery and equipment used for plant security, fire prevention, first aid, accounting, administration, record keeping, advertising, marketing, sales or other related activities, plant cleaning, plant communications and employee work scheduling;

(B) machinery, equipment and tools used primarily in maintaining and repairing any type of machinery and equipment or the building and plant;

(C) transportation, transmission and distribution equipment not primarily used in a production, warehousing or material handling operation at the plant or facility, including the means of conveyance of natural gas, electricity, oil or water, and equipment related thereto, located outside the plant or facility;

(D) office machines and equipment including computers and related peripheral equipment not used directly and primarily to control or measure the manufacturing process;

(E) furniture and other furnishings;

(F) buildings, other than exempt machinery and equipment that is permanently affixed to or becomes a physical part of the building, and any other part of real estate that is not otherwise exempt;

(G) building fixtures that are not integral to the manufacturing operation, such as utility systems for heating, ventilation, air conditioning, communications, plumbing or electrical;

(H) machinery and equipment used for general plant heating, cooling and lighting;

(I) motor vehicles that are registered for operation on public highways; or

(J) employee apparel, except safety and protective apparel that is purchased by an employer and furnished gratuitously to employees who are involved in production or research activities.

(6) Paragraphs (3) and (5) shall not be construed as exclusive listings of the machinery and equipment that qualify or do not qualify as an integral or essential part of an integrated production operation. When machinery or equipment is used as an integral or essential part of production operations part of the time and for nonproduction purposes at other times, the primary use of the machinery or equipment shall determine whether or not such machinery or equipment qualifies for exemption.

(7) The secretary of revenue shall adopt rules and regulations necessary to administer the provisions of this subsection;

(ll) all sales of educational materials purchased for distribution to the public at no charge by a nonprofit corporation organized for the purpose of encouraging, fostering and conducting programs for the improvement of public health, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such materials purchased by a nonprofit corporation which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto;

(mm) all sales of seeds and tree seedlings; fertilizers, insecticides, herbicides, germicides, pesticides and fungicides; and services, purchased and used for the purpose of producing plants in order to prevent soil erosion on land devoted to agricultural use;

(nn) except as otherwise provided in this act, all sales of services rendered by an advertising agency or licensed broadcast station or any member, agent or employee thereof;

(oo) all sales of tangible personal property purchased by a community action group

or agency for the exclusive purpose of repairing or weatherizing housing occupied by low-income individuals;

(pp) all sales of drill bits and explosives actually utilized in the exploration and production of oil or gas;

(qq) all sales of tangible personal property and services purchased by a nonprofit museum or historical society or any combination thereof, including a nonprofit organization that is organized for the purpose of stimulating public interest in the exploration of space by providing educational information, exhibits and experiences, that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(rr) all sales of tangible personal property that will admit the purchaser thereof to any annual event sponsored by a nonprofit organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such tangible personal property purchased by a nonprofit organization which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto;

(ss) all sales of tangible personal property and services purchased by a public broadcasting station licensed by the federal communications commission as a noncommercial educational television or radio station;

(tt) all sales of tangible personal property and services purchased by or on behalf of a not-for-profit corporation that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the sole purpose of constructing a Kansas Korean War memorial;

(uu) all sales of tangible personal property and services purchased by or on behalf of any rural volunteer fire-fighting organization for use exclusively in the performance of its duties and functions;

(vv) all sales of tangible personal property purchased by any of the following organizations that are exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the following purposes, and all sales of any such property by or on behalf of any such organization for any such purpose:

(1) The American heart association, Kansas affiliate, inc. for the purposes of providing education, training, certification in emergency cardiac care, research and other related services to reduce disability and death from cardiovascular diseases and stroke;

(2) the Kansas alliance for the mentally ill, inc. for the purpose of advocacy for persons with mental illness and to education, research and support for their families;

(3) the Kansas mental illness awareness council for the purposes of advocacy for persons who are mentally ill and for education, research and support for them and their families;

(4) the American diabetes association Kansas affiliate, inc. for the purpose of eliminating diabetes through medical research, public education focusing on disease prevention and education, patient education including information on coping with diabetes, and professional education and training;

(5) the American lung association of Kansas, inc. for the purpose of eliminating all lung diseases through medical research, public education including information on

coping with lung diseases, professional education and training related to lung disease and other related services to reduce the incidence of disability and death due to lung disease;

(6) the Kansas chapters of the Alzheimer's disease and related disorders association, inc. for the purpose of providing assistance and support to persons in Kansas with Alzheimer's disease, and their families and caregivers;

(7) the Kansas chapters of the Parkinson's disease association for the purpose of eliminating Parkinson's disease through medical research and public and professional education related to such disease;

(8) the national kidney foundation of Kansas and western Missouri for the purpose of eliminating kidney disease through medical research and public and private education related to such disease;

(9) the heartstrings community foundation for the purpose of providing training, employment and activities for adults with developmental disabilities;

(10) the cystic fibrosis foundation, heart of America chapter, for the purposes of assuring the development of the means to cure and control cystic fibrosis and improving the quality of life for those with the disease;

(11) the spina bifida association of Kansas for the purpose of providing financial, educational and practical aid to families and individuals with spina bifida. Such aid includes, but is not limited to, funding for medical devices, counseling and medical educational opportunities;

(12) the CHWC, Inc., for the purpose of rebuilding urban core neighborhoods through the construction of new homes, acquiring and renovating existing homes and other related activities, and promoting economic development in such neighborhoods;

(13) the cross-lines cooperative council for the purpose of providing social services to low income individuals and families;

(14) the dreams work, inc., for the purpose of providing young adult day services to individuals with developmental disabilities and assisting families in avoiding institutional or nursing home care for a developmentally disabled member of their family;

(15) the KSDS, Inc., for the purpose of promoting the independence and inclusion of people with disabilities as fully participating and contributing members of their communities and society through the training and providing of guide and service dogs to people with disabilities, and providing disability education and awareness to the general public;

(16) the lyme association of greater Kansas City, Inc., for the purpose of providing support to persons with lyme disease and public education relating to the prevention, treatment and cure of lyme disease;

(17) the dream factory, inc., for the purpose of granting the dreams of children with critical and chronic illnesses;

(18) the Ottawa Suzuki strings, inc., for the purpose of providing students and families with education and resources necessary to enable each child to develop fine character and musical ability to the fullest potential;

(19) the international association of lions clubs for the purpose of creating and fostering a spirit of understanding among all people for humanitarian needs by providing voluntary services through community involvement and international cooperation;

(20) the Johnson county young matrons, inc., for the purpose of promoting a positive future for members of the community through volunteerism, financial support and education through the efforts of an all volunteer organization;

(21) the American cancer society, inc., for the purpose of eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer, through research, education, advocacy and service;

(22) the community services of Shawnee, inc., for the purpose of providing food and clothing to those in need;

(23) the angel babies association, for the purpose of providing assistance, support and items of necessity to teenage mothers and their babies; and

(24) the Kansas fairgrounds foundation for the purpose of the preservation, renovation and beautification of the Kansas state fairgrounds;

(ww) all sales of tangible personal property purchased by the habitat for humanity for the exclusive use of being incorporated within a housing project constructed by such organization;

(xx) all sales of tangible personal property and services purchased by a nonprofit zoo that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, or on behalf of such zoo by an entity itself exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986 contracted with to operate such zoo and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo that would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit zoo or the entity operating such zoo. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo. When any nonprofit zoo shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the nonprofit zoo concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the nonprofit zoo concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any

contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(yy) all sales of tangible personal property and services purchased by a parent-teacher association or organization, and all sales of tangible personal property by or on behalf of such association or organization;

(zz) all sales of machinery and equipment purchased by over-the-air, free access radio or television station that is used directly and primarily for the purpose of producing a broadcast signal or is such that the failure of the machinery or equipment to operate would cause broadcasting to cease. For purposes of this subsection, machinery and equipment shall include, but not be limited to, that required by rules and regulations of the federal communications commission, and all sales of electricity which are essential or necessary for the purpose of producing a broadcast signal or is such that the failure of the electricity would cause broadcasting to cease;

(aaa) all sales of tangible personal property and services purchased by a religious organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and used exclusively for religious purposes, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any

contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after July 1, 1998, but prior to the effective date of this act upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(bbb) all sales of food for human consumption by an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, pursuant to a food distribution program that offers such food at a price below cost in exchange for the performance of community service by the purchaser thereof;

(ccc) on and after July 1, 1999, all sales of tangible personal property and services purchased by a primary care clinic or health center the primary purpose of which is to provide services to medically underserved individuals and families, and that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such clinic or center that would be exempt from taxation under the provisions of this section if purchased directly by such clinic or center, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such tangible personal property and services purchased by a primary care clinic or health center which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such clinic or center. When any such clinic or center shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such clinic or center concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in

the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such clinic or center concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(ddd) on and after January 1, 1999, and before January 1, 2000, all sales of materials and services purchased by any class II or III railroad as classified by the federal surface transportation board for the construction, renovation, repair or replacement of class II or III railroad track and facilities used directly in interstate commerce. In the event any such track or facility for which materials and services were purchased sales tax exempt is not operational for five years succeeding the allowance of such exemption, the total amount of sales tax that would have been payable except for the operation of this subsection shall be recouped in accordance with rules and regulations adopted for such purpose by the secretary of revenue;

(eee) on and after January 1, 1999, and before January 1, 2001, all sales of materials and services purchased for the original construction, reconstruction, repair or replacement of grain storage facilities, including railroad sidings providing access thereto;

(fff) all sales of material handling equipment, racking systems and other related machinery and equipment that is used for the handling, movement or storage of tangible personal property in a warehouse or distribution facility in this state; all sales of installation, repair and maintenance services performed on such machinery and equipment; and all sales of repair and replacement parts for such machinery and equipment. For purposes of this subsection, a warehouse or distribution facility means a single, fixed location that consists of buildings or structures in a contiguous area where storage or distribution operations are conducted that are separate and apart from the business' retail operations, if any, and that do not otherwise qualify for exemption as occurring at a manufacturing or processing plant or facility. Material handling and storage equipment shall include aeration, dust control, cleaning, handling and other such equipment that is used in a public grain warehouse or other commercial grain storage facility, whether used for grain handling, grain storage, grain refining or processing, or other grain treatment operation;

(ggg) all sales of tangible personal property and services purchased by or on behalf of the Kansas academy of science, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and used solely by such academy for the preparation, publication and dissemination of education materials;

(hhh) all sales of tangible personal property and services purchased by or on behalf

of all domestic violence shelters that are member agencies of the Kansas coalition against sexual and domestic violence;

(iii) all sales of personal property and services purchased by an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and such personal property and services are used by any such organization in the collection, storage and distribution of food products to nonprofit organizations that distribute such food products to persons pursuant to a food distribution program on a charitable basis without fee or charge, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities used for the collection and storage of such food products for any such organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after July 1, 2005, but prior to the effective date of this act upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by

the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(jjj) all sales of dietary supplements dispensed pursuant to a prescription order by a licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto. As used in this subsection, "dietary supplement" means any product, other than tobacco, intended to supplement the diet that: (1) Contains one or more of the following dietary ingredients: A vitamin, a mineral, an herb or other botanical, an amino acid, a dietary substance for use by humans to supplement the diet by increasing the total dietary intake or a concentrate, metabolite, constituent, extract or combination of any such ingredient; (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap or liquid form, or if not intended for ingestion, in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and (3) is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required pursuant to 21 C.F.R. § 101.36;

(lll) all sales of tangible personal property and services purchased by special olympics Kansas, inc. for the purpose of providing year-round sports training and athletic competition in a variety of olympic-type sports for individuals with intellectual disabilities by giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in a sharing of gifts, skills and friendship with their families, other special olympics athletes and the community, and activities provided or sponsored by such organization, and all sales of tangible personal property by or on behalf of any such organization;

(mmm) all sales of tangible personal property purchased by or on behalf of the Marillac center, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing psycho-social-biological and special education services to children, and all sales of any such property by or on behalf of such organization for such purpose;

(nnn) all sales of tangible personal property and services purchased by the west Sedgwick county-sunrise rotary club and sunrise charitable fund for the purpose of constructing a boundless playground which is an integrated, barrier free and developmentally advantageous play environment for children of all abilities and disabilities;

(ooo) all sales of tangible personal property by or on behalf of a public library serving the general public and supported in whole or in part with tax money or a not-for-profit organization whose purpose is to raise funds for or provide services or other benefits to any such public library;

(ppp) all sales of tangible personal property and services purchased by or on behalf of a homeless shelter that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal income tax code of 1986, and used by any such homeless shelter to provide emergency and transitional housing for individuals and families experiencing homelessness, and all sales of any such property by or on behalf of any such homeless shelter for any such purpose;

(qqq) all sales of tangible personal property and services purchased by TLC for children and families, inc., hereinafter referred to as TLC, which is exempt from federal

income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and such property and services are used for the purpose of providing emergency shelter and treatment for abused and neglected children as well as meeting additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of TLC for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for TLC for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by TLC. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for TLC. When TLC contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to TLC a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, TLC shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(rrr) all sales of tangible personal property and services purchased by any county law library maintained pursuant to law and sales of tangible personal property and services purchased by an organization that would have been exempt from taxation under the provisions of this subsection if purchased directly by the county law library for the purpose of providing legal resources to attorneys, judges, students and the general public, and all sales of any such property by or on behalf of any such county law library;

(sss) all sales of tangible personal property and services purchased by catholic charities or youthville, hereinafter referred to as charitable family providers, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the

purpose of providing emergency shelter and treatment for abused and neglected children as well as meeting additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of charitable family providers for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for charitable family providers for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by charitable family providers. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for charitable family providers. When charitable family providers contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to charitable family providers a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, charitable family providers shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(ttt) all sales of tangible personal property or services purchased by a contractor for a project for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility owned by a nonprofit museum that has been granted an exemption pursuant to subsection (qq), which such home or facility is located in a city that has been designated as a qualified hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and amendments thereto, and which such project is related to the purposes of K.S.A. 75-5071 et seq., and amendments thereto, and that would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit museum. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the restoring, constructing, equipping, reconstructing, maintaining,

repairing, enlarging, furnishing or remodeling a home or facility for any such nonprofit museum. When any such nonprofit museum shall contract for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such nonprofit museum a sworn statement on a form to be provided by the director of taxation that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in a home or facility or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such nonprofit museum shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(uuu) all sales of tangible personal property and services purchased by Kansas children's service league, hereinafter referred to as KCSL, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing for the prevention and treatment of child abuse and maltreatment as well as meeting additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of KCSL for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for KCSL for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by KCSL. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for KCSL. When KCSL contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the

project the contractor shall furnish to KCSL a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, KCSL shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(vvv) all sales of tangible personal property or services, including the renting and leasing of tangible personal property or services, purchased by jazz in the woods, inc., a Kansas corporation that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing jazz in the woods, an event benefiting children-in-need and other nonprofit charities assisting such children, and all sales of any such property by or on behalf of such organization for such purpose;

(www) all sales of tangible personal property purchased by or on behalf of the Frontenac education foundation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing education support for students, and all sales of any such property by or on behalf of such organization for such purpose;

(xxx) all sales of personal property and services purchased by the booth theatre foundation, inc., an organization, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such personal property and services are used by any such organization in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling of the booth theatre, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling the booth theatre for such organization, that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the

contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after January 1, 2007, but prior to the effective date of this act upon the gross receipts received from any sale which would have been exempted by the provisions of this subsection had such sale occurred after the effective date of this act shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(yyy) all sales of tangible personal property and services purchased by TLC charities foundation, inc., hereinafter referred to as TLC charities, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of encouraging private philanthropy to further the vision, values, and goals of TLC for children and families, inc.; and all sales of such property and services by or on behalf of TLC charities for any such purpose and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for TLC charities for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by TLC charities. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for TLC charities. When TLC charities contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing

or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to TLC charities a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be incorporated into the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, TLC charities shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(zzz) all sales of tangible personal property purchased by the rotary club of shawnee foundation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, as amended, used for the purpose of providing contributions to community service organizations and scholarships;

(aaaa) all sales of personal property and services purchased by or on behalf of victory in the valley, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing a cancer support group and services for persons with cancer, and all sales of any such property by or on behalf of any such organization for any such purpose;

(bbbb) all sales of entry or participation fees, charges or tickets by Guadalupe health foundation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for such organization's annual fundraising event which purpose is to provide health care services for uninsured workers;

(cccc) all sales of tangible personal property or services purchased by or on behalf of wayside waifs, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing such organization's annual fundraiser, an event whose purpose is to support the care of homeless and abandoned animals, animal adoption efforts, education programs for children and efforts to reduce animal over-population and animal welfare services, and all sales of any such property, including entry or participation fees or charges, by or on behalf of such organization for such purpose;

(dddd) all sales of tangible personal property or services purchased by or on behalf of goodwill industries or Easter seals of Kansas, inc., both of which are exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing education, training and employment opportunities for people with disabilities and other barriers to employment;

(eeee) all sales of tangible personal property or services purchased by or on behalf of all American beef battalion, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of educating, promoting and participating as a contact group through the beef cattle industry in order to carry out such projects that provide support and morale to members of the United States armed forces and military services;

(ffff) all sales of tangible personal property and services purchased by sheltered living, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing residential and day services for people with developmental disabilities or intellectual disability, or both, and all sales of any such property by or on behalf of sheltered living, inc., for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling homes and facilities for sheltered living, inc., for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by sheltered living, inc. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities for sheltered living, inc. When sheltered living, inc., contracts for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to sheltered living, inc., a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, sheltered living, inc., shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax

otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(gggg) all sales of game birds for which the primary purpose is use in hunting;

(hhhh) all sales of tangible personal property or services purchased on or after July 1, 2014, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business identified under the North American industry classification system (NAICS) subsectors 1123, 1124, 112112, 112120 or 112210, and the sale and installation of machinery and equipment purchased for installation at any such business. The exemption provided in this subsection shall not apply to projects that have actual total costs less than \$50,000. When a person contracts for the construction, reconstruction, enlargement or remodeling of any such business, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to the owner of the business a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor of the contractor, who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(iiii) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for Wichita children's home for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by Wichita children's home. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for Wichita children's home. When Wichita children's home contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to Wichita children's home a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or

compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, Wichita children's home shall be liable for the tax on all materials purchased for the project, and upon payment, it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(jjjj) all sales of tangible personal property or services purchased by or on behalf of the beacon, inc., that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing those desiring help with food, shelter, clothing and other necessities of life during times of special need;

(kkkk) all sales of tangible personal property and services purchased by or on behalf of reaching out from within, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of sponsoring self-help programs for incarcerated persons that will enable such incarcerated persons to become role models for non-violence while in correctional facilities and productive family members and citizens upon return to the community;

(llll) all sales of tangible personal property and services purchased by Gove county healthcare endowment foundation, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of constructing and equipping an airport in Quinter, Kansas, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing and equipping an airport in Quinter, Kansas, for such organization, that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing or equipping of facilities for such organization. When such organization shall contract for the purpose of constructing or equipping an airport in Quinter, Kansas, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such

contractor to the director of taxation no later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. The provisions of this subsection shall expire and have no effect on and after July 1, 2019;

(mmmm) all sales of gold or silver coins; and palladium, platinum, gold or silver bullion. For the purposes of this subsection, "bullion" means bars, ingots or commemorative medallions of gold, silver, platinum, palladium, or a combination thereof, for which the value of the metal depends on its content and not the form;

(nnnn) all sales of tangible personal property or services purchased by friends of hospice of Jefferson county, an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the purpose of providing support to the Jefferson county hospice agency in end-of-life care of Jefferson county families, friends and neighbors, and all sales of entry or participation fees, charges or tickets by friends of hospice of Jefferson county for such organization's fundraising event for such purpose;

(oooo) all sales of tangible personal property or services purchased for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a qualified business facility by a qualified firm or qualified supplier that meets the requirements established in K.S.A. 2023 Supp. 74-50,312 and 74-50,319, and amendments thereto, and that has been approved for a project exemption certificate by the secretary of commerce, and the sale and installation of machinery and equipment purchased by such qualified firm or qualified supplier for installation at any such qualified business facility. When a person shall contract for the construction, reconstruction, enlargement or remodeling of any such qualified business facility, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to the owner of the qualified firm or qualified supplier a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor thereof who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-

3615(h), and amendments thereto. As used in this subsection, "qualified business facility," "qualified firm" and "qualified supplier" mean the same as defined in K.S.A. 2023 Supp. 74-50,311, and amendments thereto;

(pppp) (1) all sales of tangible personal property or services purchased by a not-for-profit corporation that is designated as an area agency on aging by the secretary for aging and disabilities services and is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code for the purpose of coordinating and providing seniors and those living with disabilities with services that promote person-centered care, including home-delivered meals, congregate meal settings, long-term case management, transportation, information, assistance and other preventative and intervention services to help service recipients remain in their homes and communities or for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for such area agency on aging; and

(2) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for an area agency on aging that would be exempt from taxation under the provisions of this section if purchased directly by such area agency on aging. Nothing in this paragraph shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for an area agency on aging. When an area agency on aging contracts for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and such contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such area agency on aging a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the area agency on aging concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof, the area agency on aging may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and

amendments thereto;

(qqqq) all sales of tangible personal property or services purchased by Kansas suicide prevention HQ, inc., an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the purpose of bringing suicide prevention training and awareness to communities across the state;

(rrrr) all sales of the services of slaughtering, butchering, custom cutting, dressing, processing and packaging of an animal for human consumption when the animal is delivered or furnished by a customer that owns the animal and such meat or poultry is for use or consumption by such customer;

(ssss) all sales of tangible personal property or services purchased by or on behalf of doorstep inc., an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the purpose of providing short-term emergency aid to families and individuals in need, including assistance with food, clothing, rent, prescription medications, transportation and utilities, and providing information on services to promote long-term self-sufficiency;

(tttt) on and after January 1, 2024, all sales of tangible personal property or services purchased by exploration place, inc., an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and which such property and services are used for the purpose of constructing, remodeling, furnishing or equipping a riverfront amphitheater, a destination playscape, an education center and indoor renovations at exploration place in Wichita, Kansas, all sales of tangible personal property or services purchased by Kansas children's discovery center inc. in Topeka, Kansas, and which such property and services are used for the purpose of constructing, remodeling, furnishing or equipping projects that include indoor-outdoor classrooms, an expanded multi-media gallery, a workshop and loading dock and safety upgrades such as a tornado shelter, lactation room, first aid room and sensory room and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, remodeling, furnishing or equipping such projects, for such organizations, that would be exempt from taxation under the provisions of this section if purchased directly by such organizations. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, remodeling, furnishing or equipping of facilities for such organization. When such organization shall contract for the purpose of constructing, remodeling, furnishing or equipping such projects, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such organization a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such

contractor to the director of taxation no later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization shall be liable for tax on all materials purchased for the project, and upon payment thereof may recover the same from the contractor together with reasonable attorney fees. Any contractor or agent, employee or subcontractor thereof, who purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after January 1, 2024, but prior to the effective date of this act, upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee. The provisions of this subsection shall expire and have no effect on and after December 31, 2030;

(uuuu) (1) (A) all sales of equipment, machinery, software, ancillary components, appurtenances, accessories or other infrastructure purchased for use in the provision of communications services; and

(B) all services purchased by a provider in the provision of the communications service used in the repair, maintenance or installation in such communications service.

(2) As used in this subsection:

(A) "Communications service" means internet access service, telecommunications service, video service or any combination thereof.

(B) "Equipment, machinery, software, ancillary components, appurtenances, accessories or other infrastructure" includes, but is not limited to:

(i) Wires, cables, fiber, conduits, antennas, poles, switches, routers, amplifiers, rectifiers, repeaters, receivers, multiplexers, duplexers, transmitters, circuit cards, insulating and protective materials and cases, power equipment, backup power equipment, diagnostic equipment, storage devices, modems, cable modem termination systems and servers;

(ii) other general central office or headend equipment, such as channel cards, frames and cabinets;

(iii) equipment used in successor technologies, including items used to monitor, test, maintain, enable or facilitate qualifying equipment, machinery, software, ancillary components, appurtenances and accessories; and

(iv) other infrastructure that is used in whole or in part to provide communications services, including broadcasting, distributing, sending, receiving, storing, transmitting, retransmitting, amplifying, switching, providing connectivity for or routing communications services.

(C) "Internet access service" means the same as internet access as defined in section 1105 of the internet tax freedom act amendments of 2007, public law 110-108.

(D) "Provider" means a person or entity that sells communications service,

including an affiliate or subsidiary.

(E) "Telecommunications service" means the same as defined in K.S.A. 79-3602, and amendments thereto.

(F) "Video service" means the same as defined in K.S.A. 12-2022, and amendments thereto.

(3) The provisions of this subsection shall expire and have no effect on and after July 1, 2029; ~~and~~

(vvvv) (1) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a building that is operated by, or is intended to be operated by, the Kansas fairgrounds foundation, a not-for-profit corporation exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and located on the grounds of the Kansas state fair, and such tangible personal property would be exempt from taxation under the provisions of this paragraph if purchased directly by such eligible not-for-profit corporation. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a building for such eligible not-for-profit corporation. When such eligible not-for-profit corporation contracts for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a building, such corporation shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and such contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering such purchases bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such eligible not-for-profit corporation a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or returned for credit, the contractor shall report and pay the sales or compensating tax to the director of taxation not later than the 20th day of the month following the close of the month in which it is determined that such materials will not be used for the purpose for which such certificate was issued. The eligible not-for-profit corporation concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof, the eligible not-for-profit corporation may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto.

(2) Sales tax paid on and after May 19, 2023, but prior to the effective date of this act upon the gross receipts received from any sale which would have been exempted by the provisions of this subsection had such sale occurred after the effective date of this

act shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee; and

(www) (1) All sales of tangible personal property or services purchased by a pregnancy resource center or residential maternity facility.

(2) As used in this subsection, "pregnancy resource center" or "residential maternity facility" means an organization that is:

(A) Exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(B) a nonprofit organization organized under the laws of this state; and

(C) a pregnancy resource center or residential maternity facility that:

(i) Maintains a dedicated phone number for clients;

(ii) maintains in this state its primary physical office, clinic or residential home that is open for clients for a minimum of 20 hours per week, excluding state holidays;

(iii) offers services, at no cost to the client, for the express purpose of providing assistance to women in order to carry their pregnancy to term, encourage parenting or adoption, prevent abortion and promote healthy childbirth; and

(iv) utilizes trained healthcare providers, as defined by section 8 of 2024 House Bill No. 2465, and amendments thereto, to perform any available medical procedures.

Sec. 16. K.S.A. 17-12a412, as amended by section 1 of 2024 Senate Bill No. 405, 17-12a412, as amended by section 15 of 2024 House Bill No. 2562, 44-706, as amended by section 12 of 2024 House Bill No. 2760, 44-706, as amended by section 4 of 2024 House Bill No. 2570, 65-2401, as amended by section 1 of 2023 House Bill No. 2358, 65-2401, as amended by section 51 of 2024 Senate Bill No. 491, 73-1210a, as amended by section 27 of 2024 House Bill No. 2760, and 73-1210a, as amended by section 63 of 2024 Senate Bill No. 491, and K.S.A. 2023 Supp. 38-2203, as amended by section 3 of 2024 House Bill No. 2536, 38-2203a, 38-2212, as amended by section 8 of 2023 Senate Bill No. 115, 38-2212, as amended by section 1 of 2024 House Bill No. 2628, 38-2243, 38-2243a, 65-536, 65-536a, 65-5808, 65-5808a, 65-6129, as amended by section 21 of 2024 House Bill No. 2760, 65-6129, as amended by section 62 of 2024 Senate Bill No. 491, 75-5665a, 79-32,117, as amended by section 2 of 2024 Senate Bill No. 360, 79-32,117, as amended by section 18 of 2024 Senate Bill No. 410, 79-32,117, as amended by section 9 of 2024 House Bill No. 2465, 79-3606, as amended by section 5 of 2023 House Bill No. 2098, and 79-3606, as amended by section 11 of 2024 House Bill No. 2465 are hereby repealed.

Sec. 17. On and after January 1, 2025, K.S.A. 9-508, as amended by section 11 of 2024 Senate Bill No. 491, 9-509, as amended by section 12 of 2024 Senate Bill No. 491, 9-513e, as amended by section 13 of 2024 Senate Bill No. 491, 9-2201, as amended by section 16 of 2024 Senate Bill No. 491, 9-2201, as amended by section 17 of 2024 House Bill No. 2247, 9-2209, as amended by section 17 of 2024 Senate Bill No. 491, 9-2209, as amended by section 21 of 2024 House Bill No. 2247, 16a-6-104, as amended by section 22 of 2024 Senate Bill No. 491, 16a-6-104, as amended by section 104 of 2024 House Bill No. 2247, are hereby repealed.";

Also on page 5, in line 41, by striking "Kansas register" and inserting "statute book";
And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "ACT"; by striking lines 2 through 7; in line 8, by striking "40-4905, 40-4906 and 40-5505" and inserting "reconciling multiple amendments to certain statutes; amending K.S.A. 9-2201, as amended by section 16 of 2024 Senate Bill No. 491, 9-2209, as amended by section 17 of 2024 Senate Bill No. 491, 16a-6-104, as amended by section 22 of 2024 Senate Bill No. 491, 17-12a412, as amended by section 1 of 2024 Senate Bill No. 405, 44-706, as amended by section 12 of 2024 House Bill No. 2760, 65-2401, as amended by section 1 of 2023 House Bill No. 2358, 73-1210a, as amended by section 27 of 2024 House Bill No. 2760 and K.S.A. 2023 Supp. 38-2203, as amended by section 3 of 2024 House Bill No. 2536, 38-2212, as amended by section 8 of 2023 Senate Bill No. 115, 38-2243, 65-536, 65-5808, 65-6129, as amended by section 21 of 2024 House Bill No. 2760, 79-32,117, as amended by section 2 of 2024 Senate Bill No. 360, and 79-3606, as amended by section 5 of 2023 House Bill No. 2098"; also in line 8, after "sections" by inserting "also repealing K.S.A. 9-508, as amended by section 11 of 2024 Senate Bill No. 491, 9-509, as amended by section 12 of 2024 Senate Bill No. 491, 9-513e, as amended by section 13 of 2024 Senate Bill No. 491, 9-2201, as amended by section 17 of 2024 House Bill No. 2247, 9-2209, as amended by section 21 of 2024 House Bill No. 2247, 16a-6-104, as amended by section 104 of 2024 House Bill No. 2247, 17-12a412, as amended by section 15 of 2024 House Bill No. 2562, 44-706, as amended by section 4 of 2024 House Bill No. 2570, 65-2401, as amended by section 51 of 2024 Senate Bill No. 491, 73-1210a, as amended by section 63 of 2024 Senate Bill No. 491, and K.S.A. 2023 Supp. 38-2203a, 38-2212, as amended by section 1 of 2024 House Bill No. 2628, 38-2243a, 65-536a, 65-5808a, 65-6129, as amended by section 62 of 2024 Senate Bill No. 491, 75-5665a, 79-32,117, as amended by section 18 of 2024 Senate Bill No. 410, 79-32,117, as amended by section 9 of 2024 House Bill No. 2465, and 79-3606, as amended by section 11 of 2024 House Bill No. 2465";

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

TROY WAYMASTER

KYLE HOFFMAN

HENRY HELGERSON

Conferees on part of House

RICK BILLINGER

JR CLAEYS

PAT PETTEY

Conferees on part of Senate

Senator Billinger moved the Senate adopt the Conference Committee Report on **SB 27**.

On roll call, the vote was: Yeas 34; Nays 0; Present and Passing 1; Absent or Not Voting 5.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Kerschen, Kloos, Masterson, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Present and Passing: Holland.

Absent or Not Voting: Doll, Holscher, Longbine, McGinn, O'Shea.
The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 37** 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.

ADAM SMITH
BRIAN BERGKAMP
TOM SAWYER

Conferees on part of House

CARYN TYSON
VIRGIL PECK

Conferees on part of Senate

On motion of Senator Tyson the Senate adopted the conference committee report on **H Sub SB 37**, and requested a new conference be appointed.

The President appointed Senators Tyson, Peck and Holland as a second Conference Committee on the part of the Senate on **H Sub SB 37**.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 37** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 37, as follows:

On page 1, by striking all in lines 12 through 36;

By striking all on pages 2 through 4;

On page 5, by striking all in lines 1 through 21; following line 21, by inserting:

"New Section 1. On July 1, 2024, the director of accounts and reports shall transfer all moneys in the local ad valorem tax reduction fund to the state general fund. On July 1, 2024, all liabilities of the local ad valorem tax reduction fund are hereby transferred to and imposed on the state general fund, and the local ad valorem tax reduction fund is hereby abolished.

New Sec. 2. On July 1, 2024, the director of accounts and reports shall transfer all moneys in the county and city revenue sharing fund to the state general fund. On July 1, 2024, all liabilities of the county and city revenue sharing fund are hereby transferred to and imposed on the state general fund, and the county and city revenue sharing fund is hereby abolished.

New Sec. 3. On August 15, 2024, and each August 15 thereafter, the director of the budget, in consultation with the director of property valuation, shall certify to the director of accounts and reports if the tax levied pursuant to K.S.A. 72-5142, and amendments thereto, is decreased from 20 mills or the exemption provided by K.S.A. 79-201x, and amendments thereto, is increased from \$42,049 for any tax year. The director of the budget shall certify to the director of accounts and reports and shall

transfer a copy of such certification to the director of legislative research, the amount of revenue that the decrease in property tax would have generated for the tax year if such tax was levied pursuant to K.S.A. 72-5142, and amendments thereto, at the rate of 20 mills and the difference in the amount of revenue that the increase in the exemption provided by K.S.A. 79-201x, and amendments thereto, would have generated for the tax year if the exemption amount was \$42,049. Upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer such certified amount from the state general fund to the state school district finance fund of the department of education.

Sec. 4. On and after July 1, 2024, K.S.A. 65-163j is hereby amended to read as follows: 65-163j. (a) The dedicated source of revenue for repayment of a loan to a municipality may include service charges, connection fees, special assessments, property taxes, grants or any other source of revenue lawfully available to the municipality for such purpose. In order to ensure repayment by municipalities of the amounts of loans provided under this act, the secretary, after consultation with the governing body of any municipality ~~which that~~ receives a loan, may adopt charges to be levied against individuals and entities served by the project. Any such charges shall remain in effect until the total amount of the loan, and any interest thereon, has been repaid. The charges shall, insofar as is practicable, be equitably assessed and may be in the form of a surcharge to the existing charges of the municipality. The governing body of any municipality ~~which that~~ receives a loan under this act shall collect any charges established by the secretary and shall pay the moneys collected therefrom to the secretary in accordance with procedures established by the secretary.

~~(b) Upon the failure of a municipality to meet the repayment terms and conditions of the agreement, the secretary may order the treasurer of the county in which the municipality is located to pay to the secretary such portion of the municipality's share of the local ad valorem tax reduction fund as may be necessary to meet the terms of the agreement, notwithstanding the provisions of K.S.A. 79-2960 and 79-2961, and amendments thereto. Upon the issuance of such an order, the municipality shall not be required to make the tax levy reductions otherwise required by K.S.A. 79-2960 and 79-2961, and amendments thereto.~~

~~(e) Municipalities which that~~ are provided with loans under this act shall maintain project accounts in accordance with generally accepted government accounting standards.

~~(d)(c)~~ Any loans received by a municipality under the provisions of this act shall be construed to be bonds for the purposes of K.S.A. 10-1116 and 79-5028, and amendments thereto, and the amount of such loans shall not be included within any limitation on the bonded indebtedness of the municipality.

Sec. 5. On and after July 1, 2024, K.S.A. 65-3306 is hereby amended to read as follows: 65-3306. The secretary's annual request for appropriations to the water pollution control account shall be based on an estimate of the fiscal needs for the ensuing budget year, less any amounts received by the secretary from any public or private grants or contributions and moneys in such account shall be used solely for the purposes provided for by this act. Moneys allocated to a municipality shall be encumbered as an expenditure of this account upon the formal letting of a contract for the improvement notwithstanding the date ~~on which when~~ actual payment is made of the state financial assistance. Any municipality may contribute moneys to the state

water pollution control account. If there are no uncommitted or unencumbered moneys in the water pollution control account, any municipality applying for any water pollution control project as defined in K.S.A. 65-3302, ~~and amendments thereto~~, shall as a condition of such application certify in writing to the secretary that a contribution in the amount of ~~twenty-five percent~~ (25%) of the eligible cost of such project will be made to the water pollution control account by such municipality prior to formal letting of a construction contract. Upon receipt by the secretary, each such contribution shall be retained in a subaccount of the water pollution control account for use solely in the project for which the municipality has made application.

~~Notwithstanding the provisions of K.S.A. 79-2960 and 79-2961, any municipality applying for such a water pollution control project may make such contribution from all or such part of its share of the local ad valorem tax reduction fund as may be necessary for such purpose, and to the extent such fund is pledged and used for such purpose the municipality shall not be required to make the tax levy reductions otherwise required by K.S.A. 79-2960 and 79-2961. Taxes levied by any municipality by reason of its failure to make such reduction in its levies shall not be subject to or be considered in computing the aggregate limitation upon the levy of taxes by such municipality under the provisions of K.S.A. 79-5003.~~

Sec. 6. On and after July 1, 2024, K.S.A. 65-3327 is hereby amended to read as follows: 65-3327. (a) The dedicated source of revenue for repayment of the loans may include service charges, connection fees, special assessments, property taxes, grants or any other source of revenue lawfully available to the municipality for such purpose. In order to ensure repayment by municipalities of the amounts of loans provided under K.S.A. 65-3321 through 65-3329, and amendments thereto, the secretary, after consultation with the governing body of any municipality which receives a loan, may adopt charges to be levied against users of the project. Any such charges shall remain in effect until the total amount of the loan, and any interest thereon, has been repaid. The charges shall, insofar as is practicable, be equitably assessed and may be in the form of a surcharge to the existing charges of the municipality. The governing body of any municipality which receives a loan under K.S.A. 65-3321 through 65-3329, and amendments thereto, shall collect any charges established by the secretary and shall pay the moneys collected therefrom to the secretary in accordance with procedures established by the secretary.

~~(b) Upon the failure of a municipality to meet the repayment terms and conditions of the agreement, the secretary may order the treasurer of the county in which the municipality is located to pay to the secretary such portion of the municipality's share of the local ad valorem tax reduction fund as may be necessary to meet the terms of the agreement, notwithstanding the provisions of K.S.A. 79-2960 and 79-2961 and amendments thereto. Upon the issuance of such an order, the municipality shall not be required to make the tax levy reductions otherwise required by K.S.A. 79-2960 and 79-2961 and amendments thereto.~~

~~(c) Municipalities which that~~ are provided with loans under K.S.A. 65-3321 through 65-3329, and amendments thereto, shall maintain project accounts in accordance with generally accepted government accounting standards.

~~(d)(c)~~ Municipalities ~~which that~~ receive a grant and an allowance under the federal act with respect to project costs for which a loan was provided under K.S.A. 65-3321 through 65-3329, and amendments thereto, shall promptly repay such loan to the extent

of the allowance received under the federal act.

~~(e)~~(d) Any loans received by a municipality under the provisions of K.S.A. 65-3321 through 65-3329, and amendments thereto, shall be construed to be bonds for the purposes of K.S.A. 10-1116 and 79-5028, and amendments thereto, and the amount of such loans shall not be included within any limitation on the bonded indebtedness of the municipality.

Sec. 7. On and after July 1, 2024, K.S.A. 2023 Supp. 72-5142 is hereby amended to read as follows: 72-5142. (a) The board of education of each school district shall levy an ad valorem tax upon the taxable tangible property of the school district in the school years specified in subsection (b) for the purpose of:

(1) Financing that portion of the school district's general fund budget that is not financed from any other source provided by law;

(2) paying a portion of the costs of operating and maintaining public schools in partial fulfillment of the constitutional obligation of the legislature to finance the educational interests of the state; and

(3) with respect to any redevelopment school district established prior to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district.

(b) The tax required under subsection (a) shall be levied at a rate of ~~20~~ 19.5 mills in the school years ~~2023-2024 and 2024-2025 and 2025-2026~~.

(c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose described in subsection (a)(3), 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 school district finance fund.

(d) No school district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments thereto.

Sec. 8. On and after July 1, 2024, K.S.A. 2023 Supp. 74-8768 is hereby amended to read as follows: 74-8768. (a) There is hereby created the expanded lottery act revenues fund in the state treasury. All expenditures and transfers from such fund shall be made in accordance with appropriation acts. All moneys credited to such fund shall be expended or transferred only for the purposes of reduction of state debt, state infrastructure improvements, the university engineering initiative act, ~~reduction of local ad valorem tax in the same manner as provided for allocation of amounts in the local ad valorem tax reduction fund~~ and reduction of the unfunded actuarial liability of the system attributable to the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, by the Kansas public employees retirement system.

(b) On July 1, 2021, July 1, 2022, July 1, 2023, July 1, 2024, July 1, 2025, July 1, 2026, July 1, 2027, July 1, 2028, July 1, 2029, July 1, 2030, and July 1, 2031, or as soon thereafter such date as moneys are available, the first \$10,500,000 credited to the expanded lottery act revenues fund shall be transferred by the director of accounts and reports from the expanded lottery act revenues fund in one or more substantially equal amounts, to each of the following: The Kan-grow engineering fund – KU, Kan-grow engineering fund – KSU and Kan-grow engineering fund – WSU. Each such special

revenue fund shall receive \$3,500,000 annually in each of such years. Commencing in fiscal year 2014, after such transfer has been made, 50% of the remaining moneys credited to the fund shall be transferred on a quarterly basis by the director of accounts and reports from the fund to the Kansas public employees retirement system fund to be applied to reduce the unfunded actuarial liability of the system attributable to the state of Kansas and participating employers under K.S.A. 74-4931 et seq., and amendments thereto, until the system as a whole attains an 80% funding ratio as certified by the board of trustees of the Kansas public employees retirement system.

Sec. 9. On and after July 1, 2024, K.S.A. 75-2556 is hereby amended to read as follows: 75-2556. (a) The state librarian shall determine the amount of the grant-in-aid each eligible local public library is to receive based on the latest population census figures as certified by the division of the budget.

(b) Except as provided by subsection (d), no local public library shall be eligible for any state grants-in-aid if the total amount of the following paragraphs is less than the total amount produced from such sources for the same library for the previous year, based on the information contained in the official annual budgets of municipalities that are filed with the division of accounts and reports in accordance with K.S.A. 79-2930, and amendments thereto:

(1) The amount produced by the local ad valorem tax levies for the current year expenses for such library;

~~(2) the amount of moneys received from the local ad valorem tax reduction fund for current year expenses for such library;~~

~~(3) the amount of moneys received from taxes levied upon motor vehicles under the provisions of K.S.A. 79-5101 et seq., and amendments thereto, for current year expenses for such library; and~~

~~(4)~~⁽³⁾ the amount of moneys received in the current year from collections of unpaid local ad valorem tax levies for prior year expenses for such library.

(c) Local public library districts in which the assessed valuation decreases shall remain eligible for state grants-in-aid so long as the ad valorem tax mill rate for the support of such library has not been reduced below the mill rate imposed for such purpose for the previous year.

(d) If a local public library fails to qualify for eligibility for any state grants-in-aid under subsection (b), the state librarian shall have the power to continue the eligibility of a local public library for any state grants-in-aid if the state librarian, after evaluation of all the circumstances, determines that the legislative intent for maintenance of local tax levy support for the on-going operations of the library is being met by the library district.

(e) The distribution so determined shall be apportioned and paid on February 15 of each year.

Sec. 10. On and after July 1, 2024, K.S.A. 2023 Supp. 79-201x is hereby amended to read as follows: 79-201x. ~~(a)~~ For taxable year ~~2022~~ 2024, and all taxable years thereafter, the following described property, to the extent herein specified, shall be and is hereby exempt from the property tax levied pursuant to the provisions of K.S.A. 72-5142, and amendments thereto: Property used for residential purposes to the extent of ~~\$40,000~~ \$100,000 of its appraised valuation.

~~(b) For taxable year 2023, and all taxable years thereafter, the dollar amount of the extent of appraised valuation that is exempt pursuant to subsection (a) shall be adjusted~~

~~to reflect the average percentage change in statewide residential valuation of all residential real property for the preceding 10 years. Such average percentage change shall not be less than zero. The director of property valuation shall calculate the average percentage change for purposes of this annual adjustment and calculate the dollar amount of the extent of appraised valuation that is exempt pursuant to this section each year.~~

Sec. 11. On and after July 1, 2024, K.S.A. 79-1107 is hereby amended to read as follows: 79-1107. ~~(a)~~ Every national banking association and state bank located or doing business within the state shall pay to the state for the privilege of doing business within the state a tax according to or measured by its net income for the next preceding taxable year to be computed as provided in this act. Such tax shall consist of a normal tax and a surtax and shall be computed as follows:

~~(a)(1)~~ For tax year 2024, and all tax years thereafter, the normal tax shall be an amount equal to ~~2⁺/₄%~~ 1.94% of such net income; and

~~(b)(2)~~ the surtax shall be an amount equal to ~~2⁺/₈%~~ 2.125% of such net income in excess of \$25,000.

~~(b)~~ The tax levied shall be in lieu of ad valorem taxes which might otherwise be imposed by the state or political subdivisions thereof upon shares of capital stock or the intangible assets of national banking associations and state banks.

Sec. 12. On and after July 1, 2024, K.S.A. 79-1108 is hereby amended to read as follows: 79-1108. ~~(a)~~ Every trust company and savings and loan association located or doing business within the state shall pay to the state for the privilege of doing business within the state a tax according to or measured by its net income for the next preceding taxable year to be computed as provided in this act. Such tax shall consist of a normal tax and a surtax and shall be computed as follows:

~~(a)(1)~~ For tax year 2024, and all tax years thereafter, the normal tax on every trust company and savings and loan association shall be an amount equal to ~~2⁺/₄%~~ 1.93% of such net income; and

~~(b)(2)~~ the surtax on every trust company and savings and loan association shall be an amount equal to ~~2⁺/₄%~~ 2.25% of such net income in excess of \$25,000.

~~(b)~~ The tax levied shall be in lieu of ad valorem taxes which might otherwise be imposed by the state or political subdivision thereof upon shares of capital stock or other intangible assets of trust companies and savings and loan associations.

Sec. 13. On and after July 1, 2024, K.S.A. 79-1479 is hereby amended to read as follows: 79-1479. (a) On or before January 15, 1992, and quarterly thereafter, the county or district appraiser shall submit to the director of property valuation a progress report indicating actions taken during the preceding quarter calendar year to implement the appraisal of property in the county or district. Whenever the director of property valuation shall determine that any county has failed, neglected or refused to properly provide for the appraisal of property or the updating of the appraisals on an annual basis in substantial compliance with the provisions of law and the guidelines and timetables prescribed by the director, the director shall file with the state board of tax appeals a complaint stating the facts upon which the director has made the determination of noncompliance as provided by K.S.A. 79-1413a, and amendments thereto. If, as a result of such proceeding, the state board of tax appeals finds that the county is not in substantial compliance with the provisions of law and the guidelines and timetables of the director of property valuation providing for the appraisal of all property in the

county or the updating of the appraisals on an annual basis, it shall order the immediate assumption of the duties of the office of county appraiser by the director of the division of property valuation until such time as the director of property valuation determines that the county is in substantial compliance with the provisions of law. ~~In addition, the board shall order the state treasurer to withhold all or a portion of the county's entitlement to moneys from either or both of the local ad valorem tax reduction fund and the city and county revenue sharing fund for the year following the year in which the order is issued.~~ Upon service of any such order on the board of county commissioners, the appraiser shall immediately deliver to the director of property valuation, or the director's designee, all books, records and papers pertaining to the appraiser's office.

Any county for which the director of the division of property valuation is ordered by the state board of tax appeals to assume the responsibility and duties of the office of county appraiser shall reimburse the state for the actual costs incurred by the director of the division of property valuation in the assumption and carrying out of such responsibility and duties, including any contracting costs in the event it is necessary for the director of property valuation to contract with private appraisal firms to carry out such responsibilities and duties.

(b) On or before June 1 of each year, the director of property valuation shall review the appraisal of property in each county or district to determine if property within the county or district is being appraised or valued in accordance with the requirements of law. If the director determines the property in any county or district is not being appraised in accordance with the requirements of law, the director of property valuation shall notify the county or district appraiser and the board of county commissioners of any county or counties affected that the county has 30 days within which to submit to the director a plan for bringing the appraisal of property within the county into compliance.

If a plan is submitted and approved by the director the county or district shall proceed to implement the plan as submitted. The director shall continue to monitor the program to insure that the plan is implemented as submitted. If no plan is submitted or if the director does not approve the plan, the director shall petition the state board of tax appeals for a review of the plan or, if no plan is submitted, for authority for the division of property valuation to assume control of the appraisal program of the county and to proceed to bring the same into compliance with the requirements of law.

If the state board of tax appeals approves the plan, the county or district appraiser shall proceed to implement the plan as submitted. If no plan has been submitted or the plan submitted is not approved, the board shall fix a time within which the county may submit a plan or an amended plan for approval. If no plan is submitted and approved within the time prescribed by the board, the board shall order the division of property valuation to assume control of the appraisal program of the county ~~and shall certify its order to the state treasurer who shall withhold distributions of the county's share of moneys from the county and city revenue sharing fund and the local ad valorem tax reduction fund and credit the same to the general fund of the state for the year following the year in which the board's order is made.~~ The director of property valuation shall certify the amount of the cost incurred by the division in bringing the program in compliance to the state board of tax appeals. The board shall order the county commissioners to reimburse the state for such costs.

(c) The state board of tax appeals shall within 60 days after the publication of the Kansas assessment/sales ratio study review such publication to determine county compliance with K.S.A. 79-1439, and amendments thereto. If in the determination of the board one or more counties are not in substantial compliance and the director of property valuation has not acted under subsection (b), the board shall order the director of property valuation to take such corrective action as is necessary or to show cause for noncompliance.

Sec. 14. On and after July 1, 2024, K.S.A. 2023 Supp. 79-2988 is hereby amended to read as follows: 79-2988. (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) At least 10 days in advance of the public hearing, the governing body shall publish notice of its proposed intent to exceed the revenue neutral rate by publishing notice:

(A) On the website of the governing body, if the governing body maintains a website; and

(B) in a weekly or daily newspaper of the county having a general circulation therein. 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 20, 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. For all tax years commencing after December 31, 2021, 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. The county clerk shall consolidate the required information for all taxing subdivisions relevant to the taxpayer's property on one notice. The notice shall be in a format prescribed by the director of accounts and reports. The notice shall include, but not be limited to:

(A) The revenue neutral rate of each taxing subdivision relevant to the taxpayer's property;

(B) the proposed property tax revenue needed to fund the proposed budget of the taxing subdivision, if the taxing subdivision notified the county clerk of its proposed intent to exceed its revenue neutral rate;

(C) the proposed tax rate based upon the proposed budget and the current year's total assessed valuation of the taxing subdivision, if the taxing subdivision notified the county clerk of its proposed intent to exceed its revenue neutral rate;

(D) the percentage by which the proposed tax rate exceeds the revenue neutral rate;

(E) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement;

(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 of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates;

(H) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate on the taxpayer's property described in subparagraph (G) for any taxing subdivision that has a proposed tax rate that exceeds its revenue neutral rate; and

(I) the date, time and location of the public hearing of the taxing subdivision, if the taxing subdivision notified the county clerk of its proposed intent to exceed its revenue neutral rate.

Although the state of Kansas is not a taxing subdivision for purposes of this section, the notice shall include a statement of the statutory mill levies imposed by the state and the estimate of the tax for the current year on the taxpayer's property based on such levies.

(3) The public hearing to consider exceeding the revenue neutral rate shall be held not sooner than August 20 and not later than September 20. 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. Nothing in this section shall be construed to prohibit additional public hearings that provide additional opportunities to present testimony or public comment prior to the public hearing required by 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 and shall be a roll call vote. If the governing body approves exceeding the revenue neutral rate, the governing body shall not adopt a budget that results in a tax rate in excess of its proposed tax rate as stated in the notice provided pursuant to this section. A copy of the resolution or ordinance to approve exceeding the revenue neutral rate and a certified copy of any roll call vote reporting, at a minimum, the name and vote of each member of the governing body related to exceeding the revenue neutral rate, whether approved or not, shall be included with the adopted budget, budget certificate and other budget forms filed with the county clerk and the director of accounts and reports and shall be published on the website of the department of administration.

(c) (1) 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.

(2) Any taxpayer of the taxing subdivision that is the subject of the complaint or such taxpayer's duly authorized representative may file a complaint with the state board of tax appeals by filing a written complaint, on a form prescribed by the board, that contains the facts that the complaining party believes show that a governing body of a

taxing subdivision did not comply with the provisions of subsection (b) and that a reduction or refund of taxes is appropriate. The complaining party shall provide a copy of such complaint to the governing body of the taxing subdivision making the levy that is the subject of the complaint. Notwithstanding K.S.A. 74-2438a, and amendments thereto, no filing fee shall be charged by the executive director of the state board of tax appeals for a complaint filed pursuant to this paragraph. The governing body of the taxing subdivision making the levy that is the subject of the complaint shall be a party to the proceeding. Notice of any summary proceeding or hearing shall be served upon such governing body, the county clerk, the director of accounts and reports and the complaining party. It shall be the duty of the governing body to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity of such levy. If upon a summary proceeding or hearing, it shall be made to appear to the satisfaction of the board that the governing body of the taxing subdivision did not comply with subsection (b), the state board of tax appeals shall order such governing body to refund to taxpayers the amount of property taxes over collected or reduce the taxes levied, if uncollected. The provisions of this paragraph shall not be construed as prohibiting any other remedies available under the law.

(d) On and after January 1, 2022, in the event that the ~~20-mills tax~~ levied by a school district pursuant to K.S.A. 72-5142, and amendments thereto, increases the property tax revenue generated for the purpose of calculating the revenue neutral rate from the previous tax year and such amount of increase in revenue generated from ~~the 20-mills such tax levied~~ is the only reason ~~that~~ the school district would exceed the total property tax revenue from the prior year, the school district shall be deemed to not have exceeded the revenue neutral rate in levying a tax rate in excess of the revenue neutral rate to take into account the increase in revenue from only ~~the 20-mills such tax levied~~.

(e) (1) Notwithstanding any other provision of law to the contrary, 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 October 1, to the proper county clerk the amount of ad valorem tax to be levied.

(2) If a governing body of a taxing subdivision did not comply with the provisions of subsection (b) and certifies to the county clerk an amount of ad valorem tax to be levied that would result in a tax rate in excess of its revenue neutral rate, the county clerk shall reduce the ad valorem tax to be levied to the amount resulting from such taxing subdivision's revenue neutral rate.

(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) In the event that a county clerk incurred costs of printing and postage that were not reimbursed pursuant to K.S.A. 2023 Supp. 79-2989, and amendments thereto, such

county clerk may seek reimbursement from all taxing subdivisions required to send the notice. Such costs shall be shared proportionately by all taxing subdivisions that were included on the same notice based on the total property tax levied by each taxing subdivision. Payment of such costs shall be due to the county clerk by December 31.

(h) The department of administration or the director of accounts and reports shall make copies of adopted budgets, budget certificates, other budget documents and revenue neutral rate documents available to the public on the department of administration's website on a permanently accessible web page that may be accessed via a conspicuous link to that web page placed on the front page of the department's website. The department of administration or the director of accounts and reports shall also make the following information for each tax year available on such website:

- (1) A list of taxing subdivisions by county;
- (2) whether each taxing subdivision conducted a hearing to consider exceeding its revenue neutral rate;
- (3) the revenue neutral rate of each taxing subdivision;
- (4) the tax rate resulting from the adopted budget of each taxing subdivision; and
- (5) the percent change between the revenue neutral rate and the tax rate for each taxing subdivision.

Sec. 15. On and after July 1, 2024, K.S.A. 2023 Supp. 79-32,110 is hereby amended to read as follows: 79-32,110. (a) *Resident individuals*. Except as otherwise provided by K.S.A. 79-3220(a), and amendments thereto, a tax is hereby imposed upon the Kansas taxable income of every resident individual, which tax shall be computed in accordance with the following tax schedules:

(1) *Married individuals filing joint returns.*

(A) For tax year 2012:

If the taxable income is:	The tax is:
Not over \$30,000	3.5% of Kansas taxable income
Over \$30,000 but not over \$60,000	\$1,050 plus 6.25% of excess over \$30,000
Over \$60,000	\$2,925 plus 6.45% of excess over \$60,000

(B) For tax year 2013:

If the taxable income is:	The tax is:
Not over \$30,000	3.0% of Kansas taxable income
Over \$30,000	\$900 plus 4.9% of excess over \$30,000

(C) For tax year 2014:

If the taxable income is:	The tax is:
Not over \$30,000	2.7% of Kansas taxable income
Over \$30,000	\$810 plus 4.8% of excess over \$30,000

(D) For tax years 2015 and 2016:

If the taxable income is:	The tax is:
Not over \$30,000	2.7% of Kansas taxable income
Over \$30,000	\$810 plus 4.6% of excess over \$30,000

(E) For tax year 2017:

If the taxable income is:	The tax is:
Not over \$30,000	2.9% of Kansas taxable income
Over \$30,000 but not over \$60,000	\$870 plus 4.9% of excess over \$30,000
Over \$60,000	\$2,340 plus 5.2% of excess over \$60,000

(F) For tax-year years 2018, and all tax years thereafter through 2023:

If the taxable income is:	The tax is:
Not over \$30,000	3.1% of Kansas taxable income
Over \$30,000 but not over \$60,000	\$930 plus 5.25% of excess over \$30,000
Over \$60,000	\$2,505 plus 5.7% of excess over \$60,000

(B) For tax year 2024, and all tax years thereafter:

If the taxable income is:	The tax is:
Not over \$46,000	5.2% of Kansas taxable income
Over \$46,000	\$2,392 plus 5.57% of excess over \$46,000

(2) All other individuals.

(A) For tax year 2012:

If the taxable income is:	The tax is:
Not over \$15,000	3.5% of Kansas taxable income
Over \$15,000 but not over \$30,000	\$525 plus 6.25% of excess over \$15,000
Over \$30,000	\$1,462.50 plus 6.45% of excess over \$30,000

(B) For tax year 2013:

If the taxable income is:	The tax is:
Not over \$15,000	3.0% of Kansas taxable income
Over \$15,000	\$450 plus 4.9% of excess over \$15,000

(C) For tax year 2014:

If the taxable income is:	The tax is:
Not over \$15,000	2.7% of Kansas taxable income
Over \$15,000	\$405 plus 4.8% of excess over \$15,000

(D) For tax years 2015 and 2016:

If the taxable income is:	The tax is:
Not over \$15,000	2.7% of Kansas taxable income
Over \$15,000	\$405 plus 4.6% of excess over \$15,000

(E) For tax year 2017:

If the taxable income is:	The tax is:
Not over \$15,000	2.9% of Kansas taxable income
Over \$15,000 but not over \$30,000	\$435 plus 4.9% of excess over \$15,000

Over \$30,000	\$1,170 plus 5.2% of excess over \$30,000
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~~(F) For tax-year years 2018, and all tax-years thereafter through 2023:~~

If the taxable income is:	The tax is:
Not over \$15,000	3.1% of Kansas taxable income
Over \$15,000 but not over \$30,000	\$465 plus 5.25% of excess over \$15,000
Over \$30,000	\$1,252.50 plus 5.7% of excess over \$30,000

(B) For tax year 2024, and all tax years thereafter:

If the taxable income is:	The tax is:
Not over \$23,000	5.2% of Kansas taxable income
Over \$23,000	\$1,196 plus 5.57% of excess over \$23,000

(b) *Nonresident individuals.* A tax is hereby imposed upon the Kansas taxable income of every nonresident individual, which tax shall be an amount equal to the tax computed under subsection (a) as if the nonresident were a resident multiplied by the ratio of modified Kansas source income to Kansas adjusted gross income.

(c) *Corporations.* A tax is hereby imposed upon the Kansas taxable income of every corporation doing business within this state or deriving income from sources within this state. Such tax shall consist of a normal tax and a surtax and shall be computed as follows unless otherwise modified pursuant to K.S.A. 2023 Supp. 74-50,321, and amendments thereto:

- (1) The normal tax shall be in an amount equal to 4% of the Kansas taxable income of such corporation; and
- (2) the surtax shall be in an amount equal to 3% of the Kansas taxable income of such corporation in excess of \$50,000.

(d) *Fiduciaries.* A tax is hereby imposed upon the Kansas taxable income of estates and trusts at the rates provided in subsection (a)(2) ~~hereof~~.

~~(e) Notwithstanding the provisions of subsections (a) and (b): (1) For tax years 2016 and 2017, married individuals filing joint returns with taxable income of \$12,500 or less, and all other individuals with taxable income of \$5,000 or less, shall have a tax liability of zero; and (2), for tax-year years 2018, and all tax-years thereafter through 2023, married individuals filing joint returns with taxable income of \$5,000 or less, and all other individuals with taxable income of \$2,500 or less, shall have a tax liability of zero.~~

~~(f) No taxpayer shall be assessed penalties and interest arising from the underpayment of taxes due to changes to the rates in subsection (a) that became law on July 1, 2017, so long as such underpayment is rectified on or before April 17, 2018.~~

Sec. 16. On and after July 1, 2024, K.S.A. 2023 Supp. 79-32,117 is hereby amended to read as follows: 79-32,117. (a) The Kansas adjusted gross income of an individual means such individual's federal adjusted gross income for the taxable year, with the modifications specified in this section.

- (b) There shall be added to federal adjusted gross income:
 - (i) Interest income less any related expenses directly incurred in the purchase of state or political subdivision obligations, to the extent that the same is not included in

federal adjusted gross income, on obligations of any state or political subdivision thereof, but to the extent that interest income on obligations of this state or a political subdivision thereof issued prior to January 1, 1988, is specifically exempt from income tax under the laws of this state authorizing the issuance of such obligations, it shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income. Interest income on obligations of this state or a political subdivision thereof issued after December 31, 1987, shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income.

(ii) Taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state or any other taxing jurisdiction to the extent deductible in determining federal adjusted gross income and not credited against federal income tax. This paragraph shall not apply to taxes imposed under the provisions of K.S.A. 79-1107 or 79-1108, and amendments thereto, for privilege tax year 1995, and all such years thereafter.

(iii) The federal net operating loss deduction, except that the federal net operating loss deduction shall not be added to an individual's federal adjusted gross income for tax years beginning after December 31, 2016.

(iv) Federal income tax refunds received by the taxpayer if the deduction of the taxes being refunded resulted in a tax benefit for Kansas income tax purposes during a prior taxable year. Such refunds shall be included in income in the year actually received regardless of the method of accounting used by the taxpayer. For purposes hereof, a tax benefit shall be deemed to have resulted if the amount of the tax had been deducted in determining income subject to a Kansas income tax for a prior year regardless of the rate of taxation applied in such prior year to the Kansas taxable income, but only that portion of the refund shall be included as bears the same proportion to the total refund received as the federal taxes deducted in the year to which such refund is attributable bears to the total federal income taxes paid for such year. For purposes of the foregoing sentence, federal taxes shall be considered to have been deducted only to the extent such deduction does not reduce Kansas taxable income below zero.

(v) The amount of any depreciation deduction or business expense deduction claimed on the taxpayer's federal income tax return for any capital expenditure in making any building or facility accessible to the handicapped, for which expenditure the taxpayer claimed the credit allowed by K.S.A. 79-32,177, and amendments thereto.

(vi) Any amount of designated employee contributions picked up by an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965, and amendments thereto.

(vii) The amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-32,196, and amendments thereto.

(viii) The amount of any costs incurred for improvements to a swine facility, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,204, and amendments thereto.

(ix) The amount of any ad valorem taxes and assessments paid and the amount of any costs incurred for habitat management or construction and maintenance of improvements on real property, claimed for deduction in determining federal adjusted

gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203, and amendments thereto.

(x) Amounts received as nonqualified withdrawals, as defined by K.S.A. 75-643, and amendments thereto, if, at the time of contribution to a family postsecondary education savings account, such amounts were subtracted from the federal adjusted gross income pursuant to subsection (c)(xv) or if such amounts are not already included in the federal adjusted gross income.

(xi) The amount of any contribution made to the same extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 74-50,154, and amendments thereto.

(xii) For taxable years commencing after December 31, 2004, amounts received as withdrawals not in accordance with the provisions of K.S.A. 74-50,204, and amendments thereto, if, at the time of contribution to an individual development account, such amounts were subtracted from the federal adjusted gross income pursuant to subsection (c)(xiii), or if such amounts are not already included in the federal adjusted gross income.

(xiii) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,217 through 79-32,220 or 79-32,222, and amendments thereto.

(xiv) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 79-32,221, and amendments thereto.

(xv) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,223 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-32,251 through 79-32,254, and amendments thereto.

(xvi) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

(xvii) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 79-32,256, and amendments thereto.

(xviii) For taxable years commencing after December 31, 2006, the amount of any ad valorem or property taxes and assessments paid to a state other than Kansas or local government located in a state other than Kansas by a taxpayer who resides in a state other than Kansas, when the law of such state does not allow a resident of Kansas who earns income in such other state to claim a deduction for ad valorem or property taxes or assessments paid to a political subdivision of the state of Kansas in determining taxable income for income tax purposes in such other state, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xix) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Loss from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) loss from rental real estate, royalties, partnerships, S corporations, except those with wholly owned

subsidiaries subject to the Kansas privilege tax, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) farm loss as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent deducted or subtracted in determining the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011, and as revised thereafter by the internal revenue service.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for self-employment taxes under section 164(f) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer, to the extent the deduction is attributable to income reported on schedule C, E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income tax return.

(xxi) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for pension, profit sharing, and annuity plans of self-employed individuals under section 62(a)(6) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for health insurance under section 162(l) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for domestic production activities under section 199 of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid for medical care of the taxpayer or the taxpayer's spouse or dependents when such expenses were paid or incurred for an abortion, or for a health benefit plan, as defined in K.S.A. 65-6731, and amendments thereto, for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xxv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid by a taxpayer for health care when such expenses were paid or incurred for abortion coverage, a health benefit plan, as defined in K.S.A. 65-6731, and amendments thereto, when such expenses were paid or incurred for abortion coverage or amounts contributed to health savings accounts for such taxpayer's employees for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as a deduction for federal income tax purposes.

(xxvi) For all taxable years beginning after December 31, 2016, the amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 72-4357, and amendments thereto, and is also claimed as an itemized deduction for federal income tax purposes.

(xxvii) For all taxable years commencing after December 31, 2020, the amount deducted by reason of a carryforward of disallowed business interest pursuant to section 163(j) of the federal internal revenue code of 1986, as in effect on January 1, 2018.

(xxviii) For all taxable years beginning after December 31, 2021, the amount of any contributions to, or earnings from, a first-time home buyer savings account if distributions from the account were not used to pay for expenses or transactions authorized pursuant to K.S.A. 2023 Supp. 58-4904, and amendments thereto, or were not held for the minimum length of time required pursuant to K.S.A. 2023 Supp. 58-4904, and amendments thereto. Contributions to, or earnings from, such account shall also include any amount resulting from the account holder not designating a surviving payable on death beneficiary pursuant to K.S.A. 2023 Supp. 58-4904(e), and amendments thereto.

(c) There shall be subtracted from federal adjusted gross income:

(i) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States and its possessions less any related expenses directly incurred in the purchase of such obligations or securities, to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(ii) Any amounts received which are included in federal adjusted gross income but which are specifically exempt from Kansas income taxation under the laws of the state of Kansas.

(iii) The portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Kansas income tax purposes than for federal income tax purposes on the date such property was sold or disposed of in a transaction in which gain or loss was recognized for purposes of federal income tax that does not exceed such difference in basis, but if a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to that portion of such gain which is included in federal adjusted gross income.

(iv) The amount necessary to prevent the taxation under this act of any annuity or other amount of income or gain which was properly included in income or gain and was taxed under the laws of this state for a taxable year prior to the effective date of this act, as amended, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain.

(v) The amount of any refund or credit for overpayment of taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state, or any taxing jurisdiction, to the extent included in gross income for federal income tax purposes.

(vi) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income.

(vii) Amounts received as annuities under the federal civil service retirement system from the civil service retirement and disability fund and other amounts received as retirement benefits in whatever form which were earned for being employed by the federal government or for service in the armed forces of the United States.

(viii) Amounts received by retired railroad employees as a supplemental annuity under the provisions of 45 U.S.C. §§ 228b(a) and 228c(a)(1) et seq.

(ix) Amounts received by retired employees of a city and by retired employees of any board of such city as retirement allowances pursuant to K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter ordinance exempting a city from the provisions of K.S.A. 13-14,106, and amendments thereto.

(x) For taxable years beginning after December 31, 1976, the amount of the federal tentative jobs tax credit disallowance under the provisions of 26 U.S.C. § 280C. For taxable years ending after December 31, 1978, the amount of the targeted jobs tax credit and work incentive credit disallowances under 26 U.S.C. § 280C.

(xi) For taxable years beginning after December 31, 1986, dividend income on stock issued by Kansas venture capital, inc.

(xii) For taxable years beginning after December 31, 1989, amounts received by retired employees of a board of public utilities as pension and retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249, and amendments thereto.

(xiii) For taxable years beginning after December 31, 2004, amounts contributed to and the amount of income earned on contributions deposited to an individual development account under K.S.A. 74-50,201 et seq., and amendments thereto.

(xiv) For all taxable years commencing after December 31, 1996, that portion of any income of a bank organized under the laws of this state or any other state, a national banking association organized under the laws of the United States, an association organized under the savings and loan code of this state or any other state, or a federal savings association organized under the laws of the United States, for which an election as an S corporation under subchapter S of the federal internal revenue code is in effect, which accrues to the taxpayer who is a stockholder of such corporation and which is not distributed to the stockholders as dividends of the corporation. For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of modification under this subsection shall exclude the portion of income or loss reported on schedule E and included on line 17 of the taxpayer's form 1040 federal individual income tax return.

(xv) For all taxable years beginning after December 31, 2017, the cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple filing a joint return, for each designated beneficiary that are contributed to: (1) A family postsecondary education savings account established under the Kansas postsecondary education savings program or a qualified tuition program established and maintained by another state or agency or instrumentality thereof pursuant to section 529 of the internal revenue code of 1986, as amended, for the purpose of paying the qualified higher education expenses of a designated beneficiary; or (2) an achieving a better life experience (ABLE) account established under the Kansas ABLE savings program or a qualified ABLE program established and maintained by another state or agency or instrumentality thereof pursuant to section 529A of the internal revenue code of 1986, as amended, for the purpose of saving private funds to support an individual with a disability. The terms and phrases used in this paragraph shall have the meaning respectively ascribed thereto by the provisions of K.S.A. 75-643 and 75-652, and amendments thereto, and the provisions of such sections are hereby incorporated by reference for all purposes thereof.

(xvi) For all taxable years beginning after December 31, 2004, amounts received by

taxpayers who are or were members of the armed forces of the United States, including service in the Kansas army and air national guard, as a recruitment, sign up or retention bonus received by such taxpayer as an incentive to join, enlist or remain in the armed services of the United States, including service in the Kansas army and air national guard, and amounts received for repayment of educational or student loans incurred by or obligated to such taxpayer and received by such taxpayer as a result of such taxpayer's service in the armed forces of the United States, including service in the Kansas army and air national guard.

(xvii) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are eligible members of the Kansas army and air national guard as a reimbursement pursuant to K.S.A. 48-281, and amendments thereto, and amounts received for death benefits pursuant to K.S.A. 48-282, and amendments thereto, to the extent that such death benefits are included in federal adjusted gross income of the taxpayer.

~~(xviii) For the taxable year beginning after December 31, 2006, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$50,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly; and (A) For all taxable years beginning after December 31, 2007, and ending before January 1, 2024, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$75,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly.~~

(B) For all taxable years beginning after December 31, 2023, amounts received as benefits under the federal social security act that are included in federal adjusted gross income of a taxpayer.

(xix) Amounts received by retired employees of Washburn university as retirement and pension benefits under the university's retirement plan.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Net profit from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) net income, not including guaranteed payments as defined in section 707(c) of the federal internal revenue code and as reported to the taxpayer from federal schedule K-1, (form 1065-B), in box 9, code F or as reported to the taxpayer from federal schedule K-1, (form 1065) in box 4, from rental real estate, royalties, partnerships, S corporations, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) net farm profit as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent included in the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011 and as revised thereafter by the internal revenue service.

(xxi) For all taxable years beginning after December 31, 2013, amounts equal to

the unreimbursed travel, lodging and medical expenditures directly incurred by a taxpayer while living, or a dependent of the taxpayer while living, for the donation of one or more human organs of the taxpayer, or a dependent of the taxpayer, to another person for human organ transplantation. The expenses may be claimed as a subtraction modification provided for in this section to the extent the expenses are not already subtracted from the taxpayer's federal adjusted gross income. In no circumstances shall the subtraction modification provided for in this section for any individual, or a dependent, exceed \$5,000. As used in this section, "human organ" means all or part of a liver, pancreas, kidney, intestine, lung or bone marrow. The provisions of this paragraph shall take effect on the day the secretary of revenue certifies to the director of the budget that the cost for the department of revenue of modifications to the automated tax system for the purpose of implementing this paragraph will not exceed \$20,000.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of net gain from the sale of: (1) Cattle and horses, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 24 months or more from the date of acquisition; and (2) other livestock, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 12 months or more from the date of acquisition. The subtraction from federal adjusted gross income shall be limited to the amount of the additions recognized under the provisions of subsection (b)(xix) attributable to the business in which the livestock sold had been used. As used in this paragraph, the term "livestock" shall not include poultry.

(xxiii) For all taxable years beginning after December 31, 2012, amounts received under either the Overland Park, Kansas police department retirement plan or the Overland Park, Kansas fire department retirement plan, both as established by the city of Overland Park, pursuant to the city's home rule authority.

(xxiv) For taxable years beginning after December 31, 2013, and ending before January 1, 2017, the net gain from the sale from Christmas trees grown in Kansas and held by the taxpayer for six years or more.

(xxv) For all taxable years commencing after December 31, 2020, 100% of global intangible low-taxed income under section 951A of the federal internal revenue code of 1986, before any deductions allowed under section 250(a)(1)(B) of such code.

(xxvi) For all taxable years commencing after December 31, 2020, the amount disallowed as a deduction pursuant to section 163(j) of the federal internal revenue code of 1986, as in effect on January 1, 2018.

(xxvii) For taxable years commencing after December 31, 2020, the amount disallowed as a deduction pursuant to section 274 of the federal internal revenue code of 1986 for meal expenditures shall be allowed to the extent such expense was deductible for determining federal income tax and was allowed and in effect on December 31, 2017.

(xxviii) For all taxable years beginning after December 31, 2021: (1) The amount contributed to a first-time home buyer savings account pursuant to K.S.A. 2023 Supp. 58-4903, and amendments thereto, in an amount not to exceed \$3,000 for an individual or \$6,000 for a married couple filing a joint return; or (2) amounts received as income earned from assets in a first-time home buyer savings account.

(d) There shall be added to or subtracted from federal adjusted gross income the taxpayer's share, as beneficiary of an estate or trust, of the Kansas fiduciary adjustment

determined under K.S.A. 79-32,135, and amendments thereto.

(e) The amount of modifications required to be made under this section by a partner which relates to items of income, gain, loss, deduction or credit of a partnership shall be determined under K.S.A. 79-32,131, and amendments thereto, to the extent that such items affect federal adjusted gross income of the partner.

Sec. 17. On and after July 1, 2024, K.S.A. 2023 Supp. 79-32,119 is hereby amended to read as follows: 79-32,119. (a) The Kansas standard deduction of an individual, including a husband and wife who are either both residents or who file a joint return as if both were residents, shall be equal to the sum of the standard deduction amount allowed pursuant to this section, and the additional standard deduction amount allowed pursuant to this section for each such deduction allowable to such individual or to such husband and wife under the federal internal revenue code.

(b) For tax year 1998, and all tax years thereafter, the additional standard deduction amount shall be as follows: Single individual and head of household filing status, \$850; and married filing status, \$700.

~~(c) (1) For tax year 2013 through tax year 2020, the standard deduction amount of an individual, including husband and wife who are either both residents or who file a joint return as if both were residents, shall be as follows: Single individual filing status, \$3,000; married filing status, \$7,500; and head of household filing status, \$5,500.~~

~~(2) For tax year years 2021, and all tax years thereafter through 2023, the standard deduction amount of an individual, including husband and wife who are either both residents or who file a joint return as if both were residents, shall be as follows: Single individual filing status, \$3,500; married filing status, \$8,000; and head of household filing status, \$6,000.~~

(2) For tax year 2024, and all tax years thereafter, the standard deduction amount of an individual, including husband and wife who are either both residents or who file a joint return as if both were residents, shall be as follows: Single individual filing status, \$3,605; married filing status, \$8,240; and head of household filing status, \$6,180.

(d) For purposes of this section, the federal standard deduction allowable to a husband and wife filing separate Kansas income tax returns shall be determined on the basis that separate federal returns were filed, and the federal standard deduction of a husband and wife filing a joint Kansas income tax return shall be determined on the basis that a joint federal income tax return was filed.

Sec. 18. On and after July 1, 2024, K.S.A. 2023 Supp. 79-32,121 is hereby amended to read as follows: 79-32,121. (a) ~~An individual~~ For tax year 2024, and all tax years thereafter, a taxpayer shall be allowed a Kansas exemption ~~of \$2,250 for each exemption as follows:~~

(1) In the case of married individuals filing a joint return, a personal exemption of \$18,320;

(2) in the case of all other individuals with a filing status of single, head of household or married filing separate, a personal exemption of \$9,160; and

(3) in addition to the amount allowed pursuant to paragraph (1) or (2), a personal exemption of \$2,320 for each dependent for which such individual taxpayer is entitled to a deduction for the taxable year for federal income tax purposes.

(b) In addition to the exemptions provided in subsection (a), any individual who has been honorably discharged from active service in any branch of the armed forces of the United States and who is certified by the United States department of veterans

affairs or its successor to be in receipt of disability compensation at the 100% rate, if the disability is permanent and was sustained through military action or accident or resulted from disease contracted while in such active service, such individual shall be allowed an additional Kansas exemption of \$2,250 for tax year 2023 and all tax years thereafter.

Sec. 19. K.S.A. 2023 Supp. 79-3603 is hereby amended to read as follows: 79-3603. For the privilege of engaging in the business of selling tangible personal property at retail in this state or rendering or furnishing any of the services taxable under this act, there is hereby levied and there shall be collected and paid a tax at the rate of 6.5%. On and after January 1, 2023, 17% and on and after ~~January 1, 2025~~ July 1, 2024, 18% of the tax rate imposed pursuant to this section and the rate provided in K.S.A. 2023 Supp. 79-3603d, and amendments thereto, shall be levied for the state highway fund, the state highway fund purposes and those purposes specified in K.S.A. 68-416, and amendments thereto, and all revenue collected and received from such tax levy shall be deposited in the state highway fund.

Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax at the rate of 2% until the earlier of the date the bonds issued to finance or refinance the redevelopment project have been paid in full or the final scheduled maturity of the first series of bonds issued to finance any part of the project.

Such tax shall be imposed upon:

(a) The gross receipts received from the sale of tangible personal property at retail within this state;

(b) the gross receipts from intrastate, interstate or international telecommunications services and any ancillary services sourced to this state in accordance with K.S.A. 79-3673, and amendments thereto, except that telecommunications service does not include: (1) Any interstate or international 800 or 900 service; (2) any interstate or international private communications service as defined in K.S.A. 79-3673, and amendments thereto; (3) any value-added nonvoice data service; (4) any telecommunication service to a provider of telecommunication services which will be used to render telecommunications services, including carrier access services; or (5) any service or transaction defined in this section among entities classified as members of an affiliated group as provided by section 1504 of the federal internal revenue code of 1986, as in effect on January 1, 2001;

(c) the gross receipts from the sale or furnishing of gas, water, electricity and heat, which sale is not otherwise exempt from taxation under the provisions of this act, and whether furnished by municipally or privately owned utilities, except that, on and after January 1, 2006, for sales of gas, electricity and heat delivered through mains, lines or pipes to residential premises for noncommercial use by the occupant of such premises, and for agricultural use and also, for such use, all sales of propane gas, the state rate shall be 0%; and for all sales of propane gas, LP gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises, the state rate shall be 0%, but such tax shall not be levied and collected upon the gross receipts from: (1) The sale of a rural water district benefit unit; (2) a water system impact fee, system enhancement fee or similar fee collected by a water supplier as a condition for establishing service; or (3) connection or reconnection fees collected by a water supplier;

(d) the gross receipts from the sale of meals or drinks furnished at any private club,

drinking establishment, catered event, restaurant, eating house, dining car, hotel, drugstore or other place where meals or drinks are regularly sold to the public;

(e) the gross receipts from the sale of admissions to any place providing amusement, entertainment or recreation services including admissions to state, county, district and local fairs, but such tax shall not be levied and collected upon the gross receipts received from sales of admissions to any cultural and historical event which occurs triennially;

(f) the gross receipts from the operation of any coin-operated device dispensing or providing tangible personal property, amusement or other services except laundry services, whether automatic or manually operated;

(g) the gross receipts from the service of renting of rooms by hotels, as defined by K.S.A. 36-501, and amendments thereto, or by accommodation brokers, as defined by K.S.A. 12-1692, and amendments thereto, but such tax shall not be levied and collected upon the gross receipts received from sales of such service to the federal government and any agency, officer or employee thereof in association with the performance of official government duties;

(h) the gross receipts from the service of renting or leasing of tangible personal property except such tax shall not apply to the renting or leasing of machinery, equipment or other personal property owned by a city and purchased from the proceeds of industrial revenue bonds issued prior to July 1, 1973, in accordance with the provisions of K.S.A. 12-1740 through 12-1749, and amendments thereto, and any city or lessee renting or leasing such machinery, equipment or other personal property purchased with the proceeds of such bonds who shall have paid a tax under the provisions of this section upon sales made prior to July 1, 1973, shall be entitled to a refund from the sales tax refund fund of all taxes paid thereon;

(i) the gross receipts from the rendering of dry cleaning, pressing, dyeing and laundry services except laundry services rendered through a coin-operated device whether automatic or manually operated;

(j) the gross receipts from the rendering of the services of washing and waxing of vehicles;

(k) the gross receipts from cable, community antennae and other subscriber radio and television services;

(l) (1) except as otherwise provided by paragraph (2), the gross receipts received from the sales of tangible personal property to all contractors, subcontractors or repairmen for use by them in erecting structures, or building on, or otherwise improving, altering, or repairing real or personal property.

(2) Any such contractor, subcontractor or repairman who maintains an inventory of such property both for sale at retail and for use by them for the purposes described by paragraph (1) shall be deemed a retailer with respect to purchases for and sales from such inventory, except that the gross receipts received from any such sale, other than a sale at retail, shall be equal to the total purchase price paid for such property and the tax imposed thereon shall be paid by the deemed retailer;

(m) the gross receipts received from fees and charges by public and private clubs, drinking establishments, organizations and businesses for participation in sports, games and other recreational activities, but such tax shall not be levied and collected upon the gross receipts received from: (1) Fees and charges by any political subdivision, by any organization exempt from property taxation pursuant to K.S.A. 79-201 *Ninth*, and

amendments thereto, or by any youth recreation organization exclusively providing services to persons 18 years of age or younger which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for participation in sports, games and other recreational activities; and (2) entry fees and charges for participation in a special event or tournament sanctioned by a national sporting association to which spectators are charged an admission which is taxable pursuant to subsection (e);

(n) the gross receipts received from dues charged by public and private clubs, drinking establishments, organizations and businesses, payment of which entitles a member to the use of facilities for recreation or entertainment, but such tax shall not be levied and collected upon the gross receipts received from: (1) Dues charged by any organization exempt from property taxation pursuant to K.S.A. 79-201 *Eighth* and *Ninth*, and amendments thereto; and (2) sales of memberships in a nonprofit organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and whose purpose is to support the operation of a nonprofit zoo;

(o) the gross receipts received from the isolated or occasional sale of motor vehicles or trailers but not including: (1) The transfer of motor vehicles or trailers by a person to a corporation or limited liability company solely in exchange for stock securities or membership interest in such corporation or limited liability company; (2) the transfer of motor vehicles or trailers by one corporation or limited liability company to another when all of the assets of such corporation or limited liability company are transferred to such other corporation or limited liability company; or (3) the sale of motor vehicles or trailers which are subject to taxation pursuant to the provisions of K.S.A. 79-5101 et seq., and amendments thereto, by an immediate family member to another immediate family member. For the purposes of paragraph (3), immediate family member means lineal ascendants or descendants, and their spouses. Any amount of sales tax paid pursuant to the Kansas retailers sales tax act on the isolated or occasional sale of motor vehicles or trailers on and after July 1, 2004, which the base for computing the tax was the value pursuant to K.S.A. 79-5105(a), (b)(1) and (b)(2), and amendments thereto, when such amount was higher than the amount of sales tax which would have been paid under the law as it existed on June 30, 2004, shall be refunded to the taxpayer pursuant to the procedure prescribed by this section. Such refund shall be in an amount equal to the difference between the amount of sales tax paid by the taxpayer and the amount of sales tax which would have been paid by the taxpayer under the law as it existed on June 30, 2004. Each claim for a sales tax refund shall be verified and submitted not later than six months from the effective date of this act to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of tax paid as provided by this act. All such refunds shall be paid from the sales tax refund fund, upon warrants of the director of accounts and reports pursuant to vouchers approved by the director of taxation or the director's designee. No refund for an amount less than \$10 shall be paid pursuant to this act. In determining the base for computing the tax on such isolated or occasional sale, the fair market value of any motor vehicle or trailer traded in by the purchaser to the seller may be deducted from the selling price;

(p) the gross receipts received for the service of installing or applying tangible

personal property which when installed or applied is not being held for sale in the regular course of business, and whether or not such tangible personal property when installed or applied remains tangible personal property or becomes a part of real estate, except that no tax shall be imposed upon the service of installing or applying tangible personal property in connection with the original construction of a building or facility, the original construction, reconstruction, restoration, remodeling, renovation, repair or replacement of a residence or the construction, reconstruction, restoration, replacement or repair of a bridge or highway.

For the purposes of this subsection:

(1) "Original construction" means the first or initial construction of a new building or facility. The term "original construction" shall include the addition of an entire room or floor to any existing building or facility, the completion of any unfinished portion of any existing building or facility and the restoration, reconstruction or replacement of a building, facility or utility structure damaged or destroyed by fire, flood, tornado, lightning, explosion, windstorm, ice loading and attendant winds, terrorism or earthquake, but such term, except with regard to a residence, shall not include replacement, remodeling, restoration, renovation or reconstruction under any other circumstances;

(2) "building" means only those enclosures within which individuals customarily are employed, or which are customarily used to house machinery, equipment or other property, and including the land improvements immediately surrounding such building;

(3) "facility" means a mill, plant, refinery, oil or gas well, water well, feedlot or any conveyance, transmission or distribution line of any cooperative, nonprofit, membership corporation organized under or subject to the provisions of K.S.A. 17-4601 et seq., and amendments thereto, or municipal or quasi-municipal corporation, including the land improvements immediately surrounding such facility;

(4) "residence" means only those enclosures within which individuals customarily live;

(5) "utility structure" means transmission and distribution lines owned by an independent transmission company or cooperative, the Kansas electric transmission authority or natural gas or electric public utility; and

(6) "windstorm" means straight line winds of at least 80 miles per hour as determined by a recognized meteorological reporting agency or organization;

(q) the gross receipts received for the service of repairing, servicing, altering or maintaining tangible personal property which when such services are rendered is not being held for sale in the regular course of business, and whether or not any tangible personal property is transferred in connection therewith. The tax imposed by this subsection shall be applicable to the services of repairing, servicing, altering or maintaining an item of tangible personal property which has been and is fastened to, connected with or built into real property;

(r) the gross receipts from fees or charges made under service or maintenance agreement contracts for services, charges for the providing of which are taxable under the provisions of subsection (p) or (q);

(s) on and after January 1, 2005, the gross receipts received from the sale of prewritten computer software and the sale of the services of modifying, altering, updating or maintaining prewritten computer software, whether the prewritten computer software is installed or delivered electronically by tangible storage media physically

transferred to the purchaser or by load and leave;

- (t) the gross receipts received for telephone answering services;
- (u) the gross receipts received from the sale of prepaid calling service and prepaid wireless calling service as defined in K.S.A. 79-3673, and amendments thereto;
- (v) all sales of bingo cards, bingo faces and instant bingo tickets by licensees under K.S.A. 75-5171 et seq., and amendments thereto, shall be exempt from taxes imposed pursuant to this section;
- (w) all sales of charitable raffle tickets in accordance with K.S.A. 75-5171 et seq., and amendments thereto, shall be exempt from taxes imposed pursuant to this section; and
- (x) commencing on January 1, 2023, and thereafter, the state rate on the gross receipts from the sale of food and food ingredients shall be as set forth in K.S.A. 2023 Supp. 79-3603d, and amendments thereto.

Sec. 20. K.S.A. 2023 Supp. 79-3603d is hereby amended to read as follows: 79-3603d. (a) There is hereby levied and there shall be collected and paid a tax upon the gross receipts from the sale of food and food ingredients. The rate of tax shall be as follows:

- (1) Commencing on January 1, 2023, at the rate of 4%;
- (2) commencing on January 1, 2024, at the rate of 2%; and
- (3) commencing on ~~January 1, 2025~~ July 1, 2024, and thereafter, at the rate of 0%.
- (b) The provisions of this section shall not apply to prepared food unless sold without eating utensils provided by the seller and described below:
 - (1) Food sold by a seller whose proper primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries);
 - (2) (A) food sold in an unheated state by weight or volume as a single item; or
 - (B) only meat or seafood sold in an unheated state by weight or volume as a single item;
 - (3) bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies and tortillas; or
 - (4) food sold that ordinarily requires additional cooking, as opposed to just reheating, by the consumer prior to consumption.
- (c) The provisions of this section shall be a part of and supplemental to the Kansas retailers' sales tax act.

Sec. 21. K.S.A. 2023 Supp. 79-3620 is hereby amended to read as follows: 79-3620. (a) All revenue collected or received by the director of taxation from the taxes imposed by this act 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, less amounts withheld as provided in subsection (b) and amounts credited as provided in subsections (c), (d) and (e), to the credit of the state general fund.

(b) A refund fund, designated as "sales tax refund fund" not to exceed \$100,000 shall be set apart and maintained by the director from sales tax collections and estimated tax collections and held by the state treasurer for prompt payment of all sales tax refunds. Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act. In the event such fund as established by this section is, at any time, insufficient to provide for the payment of refunds due claimants thereof, the director shall certify

the amount of additional funds required to the director of accounts and reports who shall promptly transfer the required amount from the state general fund to the sales tax refund fund, and notify the state treasurer, who shall make proper entry in the records.

(c) (1) On January 1, 2023, the state treasurer shall credit 17% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rates provided in K.S.A. 79-3603, and amendments thereto, and K.S.A. 2023 Supp. 79-3603d, and amendments thereto, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(2) On ~~January 1, 2025~~ July 1, 2024, and thereafter, the state treasurer shall credit 18% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rates provided in K.S.A. 79-3603, and amendments thereto, and K.S.A. 2023 Supp. 79-3603d, and amendments thereto, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, as certified by the director, from taxpayers doing business within that portion of a STAR bond project district occupied by a STAR bond project or taxpayers doing business with such entity financed by a STAR bond project as defined in K.S.A. 12-17,162, and amendments thereto, that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state or the project was designated as a STAR bond project as defined in K.S.A. 12-17,162, and amendments thereto, to the city bond finance fund, which fund is hereby created. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under K.S.A. 79-3710(d), and amendments thereto, is sufficient to retire the special obligation bonds issued for the purpose of financing all or a portion of the costs of such STAR bond project.

(e) All revenue certified by the director of taxation as having been collected or received from the tax imposed by K.S.A. 79-3603(c), and amendments thereto, on the sale or furnishing of gas, water, electricity and heat for use or consumption within the intermodal facility district described in this subsection, shall be credited by the state treasurer to the state highway fund. Such revenue may be transferred by the secretary of transportation to the rail service improvement fund pursuant to law. The provisions of this subsection shall take effect upon certification by the secretary of transportation that a notice to proceed has been received for the construction of the improvements within the intermodal facility district, but not later than December 31, 2010, and shall expire when the secretary of revenue determines that the total of all amounts credited hereunder and pursuant to K.S.A. 79-3710(e), and amendments thereto, is equal to \$53,300,000, but not later than December 31, 2045. Thereafter, all revenues shall be collected and distributed in accordance with applicable law. For all tax reporting periods during which the provisions of this subsection are in effect, none of the exemptions contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply to the sale or furnishing of any gas, water, electricity and heat for use or consumption within the intermodal facility district. As used in this subsection, "intermodal facility district" shall consist of an intermodal transportation area as defined by K.S.A. 12-1770a(oo), and amendments thereto, located in Johnson county within the polygonal-shaped area having Waverly Road as the eastern boundary, 191st Street as the southern boundary,

Four Corners Road as the western boundary, and Highway 56 as the northern boundary, and the polygonal-shaped area having Poplar Road as the eastern boundary, 183rd Street as the southern boundary, Waverly Road as the western boundary, and the BNSF mainline track as the northern boundary, that includes capital investment in an amount exceeding \$150 million for the construction of an intermodal facility to handle the transfer, storage and distribution of freight through railway and trucking operations.

Sec. 22. K.S.A. 2023 Supp. 79-3703 is hereby amended to read as follows: 79-3703. (a) There is hereby levied and there shall be collected from every person in this state a tax or excise for the privilege of using, storing, or consuming within this state any article of tangible personal property. Such tax shall be levied and collected in an amount equal to the consideration paid by the taxpayer multiplied by the rate of 6.5%.

(b) Commencing on January 1, 2023, and thereafter, the state rate on the amount equal to the consideration paid by the taxpayer from the sale of food and food ingredients as provided in K.S.A. 79-3603, and amendments thereto, shall be as set forth in K.S.A. 2023 Supp. 79-3603d, and amendments thereto.

(c) On and after January 1, 2023, 17% and on and after ~~January 1, 2025~~ July 1, 2024, 18% of the tax rate imposed pursuant to this section and the rate provided in K.S.A. 2023 Supp. 79-3603d, and amendments thereto, shall be levied for the state highway fund, the state highway fund purposes and those purposes specified in K.S.A. 68-416, and amendments thereto, and all revenue collected and received from such tax levy shall be deposited in the state highway fund.

(d) Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax of 2% until the earlier of: (1) The date the bonds issued to finance or refinance the redevelopment project undertaken in the district have been paid in full; or (2) the final scheduled maturity of the first series of bonds issued to finance the redevelopment project.

(e) All property purchased or leased within or without this state and subsequently used, stored or consumed in this state shall be subject to the compensating tax if the same property or transaction would have been subject to the Kansas retailers' sales tax had the transaction been wholly within this state.

Sec. 23. K.S.A. 2023 Supp. 79-3710 is hereby amended to read as follows: 79-3710. (a) All revenue collected or received by the director under the provisions of this act 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, less amounts set apart as provided in subsection (b) and amounts credited as provided in subsection (c), (d) and (e), to the credit of the state general fund.

(b) A revolving fund, designated as "compensating tax refund fund" not to exceed \$10,000 shall be set apart and maintained by the director from compensating tax collections and estimated tax collections and held by the state treasurer for prompt payment of all compensating tax refunds. Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act.

(c) (1) On January 1, 2023, the state treasurer shall credit 17% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rates provided in K.S.A. 79-3703, and amendments thereto, and K.S.A.

2023 Supp. 79-3603d, and amendments thereto, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(2) On ~~January 1, 2025~~ July 1, 2024, and thereafter, the state treasurer shall credit 18% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rates provided in K.S.A. 79-3703, and amendments thereto, and K.S.A. 2023 Supp. 79-3603d, and amendments thereto, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, as certified by the director, from taxpayers doing business within that portion of a redevelopment district occupied by a redevelopment project that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state as defined in K.S.A. 12-1770a, and amendments thereto, to the city bond finance fund created by K.S.A. 79-3620(d), and amendments thereto. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under K.S.A. 79-3620(d), and amendments thereto, is sufficient to retire the special obligation bonds issued for the purpose of financing all or a portion of the costs of such redevelopment project.

This subsection shall not apply to a project designated as a special bond project as defined in K.S.A. 12-1770a(z), and amendments thereto.

(e) All revenue certified by the director of taxation as having been collected or received from the tax imposed by K.S.A. 79-3603(c), and amendments thereto, on the sale or furnishing of gas, water, electricity and heat for use or consumption within the intermodal facility district described in this subsection, shall be credited by the state treasurer to the state highway fund. Such revenue may be transferred by the secretary of transportation to the rail service improvement fund pursuant to law. The provisions of this subsection shall take effect upon certification by the secretary of transportation that a notice to proceed has been received for the construction of the improvements within the intermodal facility district, but not later than December 31, 2010, and shall expire when the secretary of revenue determines that the total of all amounts credited hereunder and pursuant to K.S.A. 79-3620(e), and amendments thereto, is equal to \$53,300,000, but not later than December 31, 2045. Thereafter, all revenues shall be collected and distributed in accordance with applicable law. For all tax reporting periods during which the provisions of this subsection are in effect, none of the exemptions contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply to the sale or furnishing of any gas, water, electricity and heat for use or consumption within the intermodal facility district. As used in this subsection, "intermodal facility district" shall consist of an intermodal transportation area as defined by K.S.A. 12-1770a(oo), and amendments thereto, located in Johnson county within the polygonal-shaped area having Waverly Road as the eastern boundary, 191st Street as the southern boundary, Four Corners Road as the western boundary, and Highway 56 as the northern boundary, and the polygonal-shaped area having Poplar Road as the eastern boundary, 183rd Street as the southern boundary, Waverly Road as the western boundary, and the BNSF mainline track as the northern boundary, that includes capital investment in an amount exceeding \$150 million for the construction of an intermodal facility to handle the

transfer, storage and distribution of freight through railway and trucking operations.

Sec. 24. K.S.A. 2023 Supp. 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 are hereby repealed.

Sec. 25. On and after July 1, 2024, K.S.A. 19-2694, 65-163j, 65-3306, 65-3327, 75-2556, 79-1107, 79-1108, 79-1479, 79-2960, 79-2961, 79-2962, 79-2965, 79-2966 and 79-2967 and K.S.A. 2023 Supp. 72-5142, 74-8768, 79-201x, 79-2959, 79-2964, 79-2988, 79-32,110, 79-32,117, 79-32,119 and 79-32,121 are hereby repealed.";

Also on page 5, in line 23, 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 8; in line 9, by striking all before the period and inserting "taxation; relating to income tax; modifying tax rates for individuals; eliminating the income limit to qualify for a subtraction modification for social security income; increasing the Kansas standard deduction and the Kansas personal exemption; relating to privilege tax; decreasing the normal tax rate; relating to property tax; increasing the extent of exemption for residential property from the statewide school levy; decreasing the rate of ad valorem tax imposed by a school district; abolishing the local ad valorem tax reduction fund and the county and city revenue sharing fund and providing for certain transfers to the state school district finance fund; relating to sales and compensating use tax; reducing the state rate of tax on sales of food and food ingredients; modifying the percent credited to the state highway fund from revenue collected; amending K.S.A. 65-163j, 65-3306, 65-3327, 75-2556, 79-1107, 79-1108 and 79-1479 and K.S.A. 2023 Supp. 72-5142, 74-8768, 79-201x, 79-2988, 79-32,110, 79-32,117, 79-32,119, 79-32,121, 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 and repealing the existing sections; also repealing K.S.A. 19-2694, 79-2960, 79-2961, 79-2962, 79-2965, 79-2966 and 79-2967 and K.S.A. 2023 Supp. 79-2959 and 79-2964";

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

ADAM SMITH

BRIAN BERGKAMP

TOM SAWYER

Conferees on part of House

CARYN TYSON

VIRGIL PECK

Conferees on part of Senate

Senator Tyson moved the Senate adopt the Conference Committee Report on **H Sub SB 37**.

On roll call, the vote was: Yeas 25; Nays 9; Present and Passing 1; Absent or Not Voting 5.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Dietrich, Erickson, Fagg, Gossage, Kerschen, Kloos, Masterson, Peck, Petersen, Pittman, Pyle, Ryckman, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn.

Nays: Corson, Faust-Goudeau, Francisco, Holland, Olson, Pettey, Reddi, Sykes, Ware.

Present and Passing: Haley.

Absent or Not Voting: Doll, Holscher, Longbine, McGinn, O'Shea.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 172** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 172, as follows:

On page 1, in line 20, by striking "8" and inserting "9"; in line 36, by striking all after "(A)";

On page 2, by striking all in lines 1 through 6; in line 7, by striking "(G)" and inserting "Any foreign adversary, as such term is defined by 15 C.F.R. § 7.4, as in effect on April 1, 2024; and

(B)";

On page 4, in line 28, by striking "150" and inserting "100"; in line 42, by striking "and"; in line 43, by striking all before "shall";

On page 5, in line 1, by striking all after "property"; by striking all in lines 2 through 6; in line 7, by striking all before the period; in line 8, by striking "(3)" and inserting "(2)"; in line 31, by striking all after "(a)"; by striking all in lines 32 through 34; in line 35, by striking all before "violation" and inserting "The attorney general shall investigate any suspected"; in line 36, by striking all after (b); in line 37, by striking all before "the" and inserting "A foreign principal who is subject to the requirements of section 3, and amendments thereto, may enter into an agreement with the attorney general to divest such foreign principal's interest in real property not more than 360 days from entering into such agreement.

(c)";

On page 6, following line 2, by inserting:

"(d) (1) Upon a determination by a court of competent jurisdiction that the defendant has violated the requirements of section 3, and amendments thereto, the defendant shall have not more than 180 days from the date of such determination to divest such defendant's interest in such real property or to otherwise come into compliance with the provisions of section 3, and amendments thereto.

(2) If such defendant is ordered by the court to divest such defendant's interest in the real property and such defendant had acquired such interest prior to July 1, 2024, such defendant may file a claim against the state pursuant to article 9 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, for any difference in the sales price of the real property caused by such court-ordered divestiture.";

Also on page 6, in line 19, by striking "and" and inserting a comma; in line 20, after "senate" by inserting ", the standing committee on federal and state affairs of the house of representatives and the standing committee on federal and state affairs of the senate. Such report shall detail the implementation of the Kansas land and military installation protection act and include the attorney general's recommended amendments to the definition of country of concern, if any"; following line 37, by inserting:

"New Sec. 8. On or before March 1 of each year, Kansas state university shall use available data and resources to prepare and submit a report to the legislature and the attorney general detailing the status and trends of all foreign land holdings of real property within the state of Kansas.";

Also on page 6, in line 38, by striking "7" and inserting "8"; in line 39, by striking "7" and inserting "8"; in line 42, by striking "7" and inserting "8";

And by renumbering sections accordingly;
 On page 1, in the title, in line 2, after "land" by inserting "and";
 And your committee on conference recommends the adoption of this report.

SEAN TARWATER

JESSE BORJON

Conferees on part of House

MIKE THOMPSON

RICK KLOOS

Conferees on part of Senate

Senator Thompson moved the Senate adopt the Conference Committee Report on **H Sub SB 172**.

A motion to not adopt the Conference Committee Report and appoint a new conference failed.

On roll call, the vote was: Yeas 24; Nays 14; Present and Passing 1; Absent or Not Voting 1.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Erickson, Fagg, Gossage, Kerschen, Kloos, Masterson, O'Shea, Peck, Petersen, Pyle, Ryckman, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn.

Nays: Corson, Doll, Faust-Goudeau, Francisco, Haley, Holland, Holscher, McGinn, Olson, Pettey, Pittman, Reddi, Sykes, Ware.

Present and Passing: Dietrich.

Absent or Not Voting: Longbine.

The Conference Committee Report was adopted

EXPLANATION OF VOTE

I vote NO on **H Sub SB 172**. I strongly concur with the concept of protecting our military and other governmental sites from any proximate harm, especially from an adversary of our State's or nation's security. But this bill as written is blatantly unconstitutional as it supports forced seizure and involuntary sale of private property. This will cause significant litigation against Kansas for various causes of actions by aggrieved landowners, current and future. Lawsuit costs and judgments taken against the State could prove to be astronomical. Made known to our taxpayers, I intend to widely proclaim I voted NO on **H Sub SB 172**.—DAVID HALEY

Senator Holland requests the record to show he concurs with the "Explanation of Vote" offered by Senator Haley on **H Sub SB 172**.

I vote Aye in strong support of **H Sub SB 172** to defend the Great State of Kansas and our Nation from foreign invasion. The issue of Foreign ownership of Kansas property is not only a matter of National Security, it's also a matter of Food Security. Our Landowners and Ag Producers have been diligent and effective in making sure that their voices are heard within the Ag Lobbying Organizations. The Kansas Farmer wants the legislature to stand in solidarity with them in defending their land and livelihood from Foreign Adversaries. Today we reassure all Kansans that we fully support defending their property rights while also protecting the Future of Kansas.—ALICIA STRAUB

STRAUB

Senator Steffen requests the record to show he concurs with the "Explanation of Vote" offered by Senator Straub on **H Sub SB 172**.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 287** submits the following report:

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

On page 1, in line 7, before "Section" by inserting "New";

On page 2, following line 23, by inserting:

"New Sec. 2. (a) This section shall be known and may be cited as the no patient left alone act.

(b) As used in this section:

(1) "Essential caregiver" means an individual designated by the patient who meets an essential need of the patient by assisting with the tasks of daily living or providing important emotional, social or psychological support;

(2) "immediate family member" means father, mother, stepparent, child, grandchild, stepchild, sibling, spouse or grandparent of the patient;

(3) "patient" means an individual who is receiving care at a patient care facility; and

(4) "patient care facility" includes any adult care home as defined in K.S.A. 39-923, and amendments thereto, and any medical care facility as defined in K.S.A. 65-425, and amendments thereto, except that "patient care facility" includes a hospice that is certified to participate in the medicare program under 42 C.F.R. § 418.1 et seq., and that provides services only to hospice patients.

(c) When providing end-of-life care, a patient care facility shall not:

(1) Take action to prevent a patient from receiving in-person visitation from any person designated by the patient, if the patient has the capacity to make such designation, or any person designated by the patient's agent for healthcare decisions established by a durable power of attorney for healthcare decisions pursuant to K.S.A. 58-625 et seq., and amendments thereto, if the patient does not have such capacity. Such visitor may include, but shall not be limited to:

(A) An immediate family member, domestic partner or significant other;

(B) the agent for healthcare decisions established by a durable power of attorney for healthcare decisions pursuant to K.S.A. 58-625 et seq., and amendments thereto;

(C) an essential caregiver; or

(D) a minister, priest, rabbi or clergyperson of any religious denomination or sect to which the patient is an adherent; or

(2) prohibit a patient from receiving in-person visitation from one or more individuals at a time.

(d) A patient may refuse in-person visitation or revoke previously granted in-person visitation from any person at any time.

(e) Prior to September 1, 2024, each patient care facility may establish visitation policies and procedures, including, but not limited to:

(1) Infection control protocols and education for visitors;

(2) a set schedule of dates and times when visitation is allowed;

- (3) allowable visit length; and
- (4) limits on number of visitors.
- (f) Visitation policies and procedures adopted under this section shall:
 - (1) Allow in-person visitation, unless the patient objects, when the patient is:
 - (A) Receiving end-of-life care;
 - (B) making one or more major medical decisions;
 - (C) experiencing emotional distress or grieving the recent loss of a friend or family member;
 - (D) experiencing functional, cognitive or nutritional decline;
 - (E) struggling with the change in environment at the patient care facility after having previously lived with such patient's immediate family member;
 - (F) admitted to a patient care facility for childbirth, including care related to a miscarriage or stillbirth; or
 - (G) under 18 years of age;
 - (2) be provided to the patient care facility's licensing agency at the time of initial licensure or renewal or any time upon request; and
 - (3) be easily accessible from the homepage of the patient care facility's website.
 - (g) Visitation policies and procedures adopted under this section shall not contain more stringent infection control protocols for visitors than for employees of the patient care facility who are providing direct care to patients.
 - (h) A patient care facility may:
 - (1) Adopt visitation policies and procedures that are more stringent for intensive or critical care units;
 - (2) modify visitation based on a patient's condition or need for rest;
 - (3) require a visitor to agree in writing to follow the facility's policies and procedures;
 - (4) temporarily suspend a visitor's in-person visitation if such visitor violates the facility's policies and procedures;
 - (5) revoke a visitor's in-person visitation if such visitor repeatedly violates the facility's policies and procedures or displays any violent or aggressive behavior; and
 - (6) notwithstanding subsection (g), require a visitor to adhere to infection control procedures, including wearing personal protective equipment.
 - (i) The department of health and environment shall publish on its website:
 - (1) An explanation of this section's visitation requirements; and
 - (2) a link for individuals to report complaints alleging violations of this section by a patient care facility.
 - (j) A patient care facility shall be immune from civil liability for damages for acts taken in compliance with this section unless such act constitutes gross negligence or willful, wanton or reckless conduct.
 - (k) Nothing in this section shall be construed to:
 - (1) Supersede any federal laws, rules or regulations regarding patient care facilities; or
 - (2) prohibit a patient care facility from taking actions, including those based on guidance from the centers for medicare and medicaid services, necessary to ensure that such patient care facility remains eligible for federal financial participation, federal funds or participation in federal programs and for reimbursement for services provided in such patient care facility.

Sec. 3. On and after the date of publication in the Kansas register of the notice prescribed in section 4, K.S.A. 2023 Supp. 65-484 is hereby amended to read as follows: 65-484. (a) A facility shall be eligible to apply for a rural emergency hospital license if such facility, as of December 27, 2020, was a:

- (1) Licensed critical access hospital;
- (2) general hospital with not more than 50 licensed beds located in a county in a rural area as defined in section 1886(d)(2)(D) of the federal social security act; or
- (3) general hospital with not more than 50 licensed beds that is deemed as being located in a rural area pursuant to section 1886(d)(8)(E) of the federal social security act.

(b)(1) A facility shall be eligible to apply for a rural emergency hospital license if such facility, at any point during the period beginning on January 1, 2015, and ending on December 26, 2020, was a facility described in subsection (a) or became a department of a provider or provider-based entity.

(2) A facility may qualify for licensure under this subsection notwithstanding whether such facility was enrolled in medicare under a different United States centers for medicare and medicaid services certification number if such facility remains within the same zip code as when the facility originally received such facility's certification number.

(3) As used in this subsection, "provider-based entity" means the same as defined in 42 C.F.R. § 413.65.

(c) A facility applying for licensure as a rural emergency hospital shall include with the licensure application:

- (1) An action plan for initiating rural emergency hospital services, including a detailed transition plan that lists the specific services that the facility will retain, modify, add and discontinue;
- (2) a description of services that the facility intends to provide on an outpatient basis; and
- (3) such other information as required by rules and regulations adopted by the department of health and environment.

~~(d)~~ (d) A rural emergency hospital shall not have inpatient beds, except that such hospital may have a unit that is a distinct part of such hospital and that is licensed as a skilled nursing facility to provide post-hospital extended care services.

~~(e)~~ (e) A rural emergency hospital may own and operate an entity that provides ambulance services.

~~(f)~~ (f) A licensed general hospital ~~or~~ critical access hospital, provider-based entity or provider department that applies for and receives licensure as a rural emergency hospital and elects to operate as a rural emergency hospital shall retain its original license as a general hospital or critical access hospital. Such original license shall remain inactive while the rural emergency hospital license is in effect.

New Sec. 4. When the rural emergency hospital adjustment act, S. 3394, 118th Cong. (2023) or H.R. 7759, 118th Cong. (2024) is passed into law, the attorney general shall certify such bill's passage to the secretary of state. Upon receipt of such certification, the secretary of state shall publish such certification in the Kansas register.

Sec. 5. K.S.A. 2023 Supp. 65-16,127 is hereby amended to read as follows: 65-16,127. (a) As used in this section:

- (1) "Bystander" means a family member, friend, caregiver or other person in a

position to assist a person who the family member, friend, caregiver or other person believes, in good faith, to be experiencing an opioid overdose.

(2) "Emergency opioid antagonist" means any drug that inhibits the effects of opioids and that is approved by the United States food and drug administration for the treatment of an opioid overdose.

(3) "First responder" includes any emergency medical service provider, as defined by K.S.A. 65-6112, and amendments thereto, any law enforcement officer, as defined by K.S.A. 22-2202, and amendments thereto, and any actual member of any organized fire department, whether regular or volunteer.

(4) "First responder agency" includes, but is not limited to, any law enforcement agency, fire department or criminal forensic laboratory of any city, county or the state of Kansas.

(5) "Opioid antagonist protocol" means the protocol established by the state board of pharmacy pursuant to subsection (b).

(6) "Opioid overdose" means an acute condition including, but not limited to, extreme physical illness, decreased level of consciousness, respiratory depression, coma, mania or death, resulting from the consumption or use of an opioid or another substance with which an opioid was combined, or that a layperson would reasonably believe to be resulting from the consumption or use of an opioid or another substance with which an opioid was combined, and for which medical assistance is required.

(7) "Patient" means a person believed to be at risk of experiencing an opioid overdose.

(8) "School nurse" means a professional nurse licensed by the board of nursing and employed by a school district to perform nursing procedures in a school setting.

(9) "Healthcare provider" means a physician licensed to practice medicine and surgery by the state board of healing arts, a licensed dentist, a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto, or any person authorized by law to prescribe medication.

(b) The state board of pharmacy shall issue a statewide opioid antagonist protocol that establishes requirements for a licensed pharmacist to dispense emergency opioid antagonists to a person pursuant to this section. The opioid antagonist protocol shall include procedures to ensure accurate recordkeeping and education of the person to whom the emergency opioid antagonist is furnished, including, but not limited to: Opioid overdose prevention, recognition and response; safe administration of an emergency opioid antagonist; potential side effects or adverse events that may occur as a result of administering an emergency opioid antagonist; a requirement that the administering person immediately contact emergency medical services for a patient; and the availability of drug treatment programs.

(c) A pharmacist may furnish an emergency opioid antagonist to a patient or bystander subject to the requirements of this section, the pharmacy act of the state of Kansas and any rules and regulations adopted by the state board of pharmacy thereunder.

(d) A pharmacist furnishing an emergency opioid antagonist pursuant to this section may not permit the person to whom the emergency opioid antagonist is furnished to waive any consultation required by this section or any rules and regulations adopted thereunder.

(e) Any first responder, scientist or technician operating under a first responder

agency or school nurse is authorized to possess, store, distribute and administer emergency opioid antagonists as clinically indicated, provided that all personnel with access to emergency opioid antagonists are trained, at a minimum, on the following:

- (1) Techniques to recognize signs of an opioid overdose;
- (2) standards and procedures to store, distribute and administer an emergency opioid antagonist;
- (3) emergency follow-up procedures, including the requirement to summon emergency ambulance services either immediately before or immediately after administering an emergency opioid antagonist to a patient; and
- (4) inventory requirements and reporting any administration of an emergency opioid antagonist to a healthcare provider.

(f) (1) Any first responder agency electing to provide an emergency opioid antagonist to its employees or volunteers for the purpose of administering the emergency opioid antagonist shall procure the services of a physician to serve as physician medical director for the first responder agency's emergency opioid antagonist program.

(2) The first responder agency shall utilize the physician medical director or a licensed pharmacist for the purposes of:

- (A) Obtaining a supply of emergency opioid antagonists;
- (B) receiving assistance developing necessary policies and procedures that comply with this section and any rules and regulations adopted thereunder;
- (C) training personnel; and
- (D) coordinating agency activities with local emergency ambulance services and medical directors to provide quality assurance activities.

(g) (1) Any healthcare provider or pharmacist who, in good faith and with reasonable care, prescribes or dispenses an emergency opioid antagonist pursuant to this section shall not, by an act or omission, be subject to civil liability, criminal prosecution or any disciplinary or other adverse action by a professional licensure entity arising from the healthcare provider or pharmacist prescribing or dispensing the emergency opioid antagonist.

(2) Any patient, bystander, school nurse, or a first responder, scientist or technician operating under a first responder agency, who, in good faith and with reasonable care, receives and administers an emergency opioid antagonist pursuant to this section to a person experiencing a suspected opioid overdose shall not, by an act or omission, be subject to civil liability or criminal prosecution, unless personal injury results from the gross negligence or willful or wanton misconduct in the administration of the emergency opioid antagonist.

(3) Any first responder agency employing or contracting any person that, in good faith and with reasonable care, administers an emergency opioid antagonist pursuant to this section to a person experiencing a suspected opioid overdose shall not, by an act or omission, be subject to civil liability, criminal prosecution, any disciplinary or other adverse action by a professional licensure entity or any professional review.

(h) The state board of pharmacy shall adopt rules and regulations as may be necessary to implement the provisions of this section prior to January 1, 2018.

(i) This section shall be a part of and supplemental to the pharmacy act of the state of Kansas.

Sec. 6. K.S.A. 65-6144 is hereby amended to read as follows: 65-6144. (a) An

emergency medical responder may perform any of the following interventions, by use of the devices, medications and equipment, or any combination thereof, after successfully completing an approved course of instruction, local specialized device training and competency validation and when authorized by medical protocols, or upon order when direct communication is maintained by radio, telephone or video conference is monitored by a physician, physician assistant when authorized by a physician, an advanced practice registered nurse when authorized by a physician or a professional nurse when authorized by a physician, upon order of such person:

- (1) Emergency vehicle operations;
- (2) initial scene management;
- (3) patient assessment and stabilization;
- (4) cardiac arrest management through the use of cardiopulmonary resuscitation and the use of an automated external defibrillator;
- (5) airway management and oxygen therapy;
- (6) utilization of equipment for the purposes of acquiring an EKG rhythm strip;
- (7) control of bleeding;
- (8) extremity splinting;
- (9) spinal immobilization;
- (10) nebulizer therapy;
- (11) intramuscular injections with auto-injector;
- (12) administration of medications as approved by the board by appropriate routes;
- (13) recognize and comply with advanced directives;
- (14) use of blood glucose monitoring;
- (15) ~~assist~~ assistance with childbirth;
- (16) non-invasive monitoring of hemoglobin derivatives;
- (17) distribution of non prescription, over-the-counter medications as approved by the service medical director, except an emergency medical responder shall not distribute:

(A) Any compound, mixture, or preparation that contains any detectable quantity of ephedrine, its salts or optical isomers, or salts of optical isomers and is exempt from being reported to the statewide electronic logging system for the sale of methamphetamine precursors; or

(B) any compound, mixture, or preparation that contains any detectable quantity of pseudoephedrine, its salts or optical isomers, or salts of optical isomers and is exempt from being reported to the statewide electronic logging system for the sale of methamphetamine precursors; and

~~(17)~~(18) other techniques and devices of preliminary care an emergency medical responder is trained to provide as approved by the board.

Sec. 7. On and after the date of publication in the Kansas register of the notice prescribed in section 4, K.S.A. 2023 Supp. 65-484 is hereby repealed.

Sec. 8. K.S.A. 65-6144 and K.S.A. 2023 Supp. 65-16,127 are hereby repealed.

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking "children and"; in line 2, by striking "minors" and inserting "healthcare providers"; in line 4, after "consent" by inserting "; enacting the no patient left alone act to require hospitals, adult care homes and hospice facilities to allow in-person visitation in certain circumstances; authorizing such patient care facilities to adopt visitation policies and procedures; expanding licensure of rural

emergency hospitals that meet criteria between January 2015 and December 2020; relating to emergency medical responder authorized activities; authorizing distribution of non prescription over-the-counter medications; amending K.S.A. 65-6144 and K.S.A. 2023 Supp. 65-484 and 65-16,127 and repealing the existing sections";

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

BRENDA LANDWEHR

JOHN EPLEE

SUSAN RUIZ

Conferees on part of House

BEVERLY GOSSAGE

RENEE ERICKSON

PAT PETTEY

Conferees on part of Senate

Senator Gossage moved the Senate adopt the Conference Committee Report on **H Sub SB 287**.

On roll call, the vote was: Yeas 26; Nays 10; Present and Passing 0; Absent or Not Voting 4.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Dietrich, Doll, Erickson, Fagg, Gossage, Kerschen, Kloos, Masterson, McGinn, O'Shea, Peck, Petersen, Ryckman, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn.

Nays: Corson, Faust-Goudeau, Francisco, Haley, Holland, Pettey, Pittman, Reddi, Sykes, Ware.

Absent or Not Voting: Holscher, Longbine, Olson, Pyle.

The Conference Committee Report was adopted.

EXPLANATION OF VOTE

I voted for **H Sub SB 287** because it helps hold hospitals accountable going forward regarding patient visitation rights. Federal rules, regulations and laws all demand visitation rights. Yet, during the Covid debacle, hospitals left their patients to suffer and die alone. Hospitals failed our society and their patients during our time of need for the sake of money and convenience. Incredibly, they remain unapologetic.—MARK STEFFEN

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 339** submits the following report:

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

On page 1, by striking all in lines 6 through 36;

On page 2, by striking all in lines 1 through 29; following line 29 by inserting:

"Section 1.

DEPARTMENT OF EDUCATION

(a) During the fiscal year ending June 30, 2025, notwithstanding the provisions of K.S.A. 72-3125 and 72-5131 et seq., and amendments thereto, or any other statute, no expenditures shall be made by the above agency from moneys appropriated from the

state general fund or from any special revenue fund or funds for fiscal year 2025 as authorized by section 3 of chapter 98 of the 2023 Session Laws of Kansas, section 2 of 2024 Senate Bill No. 387, this or other appropriation act of the 2024 regular session of the legislature, to distribute any state foundation aid moneys to a school district that has no students enrolled in and attending a school of such school district in school year 2024-2025: *Provided*, That if there are students who are residents of such school district enrolled in and attending any other school district, such students shall be counted as regularly enrolled in and attending school in such other school district and not in the school district of residence: *Provided further*, That the above agency shall distribute state foundation aid moneys accordingly to such other school district.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking all before the period and inserting "the department of education; making and concerning appropriations for the fiscal year ending June 30, 2025, for such agency; authorizing and imposing certain restrictions and limitations";

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

KRISTEY WILLIAMS

JASON GOETZ

JARROD OUSLEY

Conferees on part of House

MOLLY BAUMGARDNER

RENEE ERICKSON

DINAH SYKES

Conferees on part of Senate

Senator Baumgardner moved the Senate adopt the Conference Committee Report on **SB 339**.

On roll call, the vote was: Yeas 34; Nays 3; Present and Passing 0; Absent or Not Voting 3.

Yeas: Alley, Baumgardner, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, Olson, Peck, Petersen, Pettey, Pittman, Reddi, Ryckman, Shallenburger, Steffen, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Nays: Billinger, Pyle, Straub.

Absent or Not Voting: Holscher, Longbine, O'Shea.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2047** 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. 2047, as follows:

On page 1, following line 8, by inserting:

"Section 1. K.S.A. 47-417 is hereby amended to read as follows: 47-417. (a) Any person may adopt a brand for the purpose of branding livestock in accordance with authorized rules and regulations of the animal health commissioner of the Kansas

department of agriculture division of animal health. Such person shall have the exclusive right to use such brand in this state, after ~~registering~~ receiving approval of the application for such brand with from the animal health commissioner.

(b) Any person desiring to register a livestock brand shall forward to the commissioner a facsimile of such brand and shall accompany the same with the ~~registration application~~ fee in the amount provided under this section. Upon a determination by the animal health commissioner that such brand is available for use and may be registered, the registrant shall, within 60 days of notice of such determination being sent by the animal health commissioner, remit to the animal health commissioner a brand registration fee in the amount provided under this section. If such brand registration fee is not paid as required under this section, the animal health commissioner may deny the application. Each person making application for the registering of an available livestock brand whose brand application is approved shall be issued a certificate of brand title upon remittance of the brand registration fee as provided under this section. Such ~~Each~~ brand title shall be valid for a recording period ending four years subsequent to the next April 1 following date of issuance. Separate application and registration fees shall be required for each brand for which registration is sought and each brand for which an application for registration is approved. The use of a brand for which a certificate of brand title has not been issued shall be unlawful and subject to penalties as provided in K.S.A. 47-421, and amendments thereto.

(c) ~~For the purpose of revising the brand records, the animal health commissioner shall collect~~ Each person wanting to renew a certificate of brand title held by such person shall, upon the expiration of the recording period for such certificate of brand title, remit to the animal health commissioner a renewal fee in the amount provided under this section on all brands upon which the recording period expires. Any person submitting such renewal fee shall be entitled to a renewal of registration of such person's livestock brand for a five-year period from the date of expiration of registration of such person's livestock brand as shown by such person's last certificate of brand title.

(d) The livestock brand of any person whose registration expires and who fails to pay such renewal fee within a grace period of 60 days after expiration of the registration period shall be forfeited. The use of a forfeited brand shall be unlawful and subject to penalties as provided in K.S.A. 47-421, and amendments thereto.

(e) Upon the forfeiture of a livestock brand, the animal health commissioner is authorized to receive and accept an application for such brand to the same extent as if such brand had never been issued to anyone as a registered brand.

(f) (1) The animal health commissioner shall determine annually the amount of funds which that will be required for the purposes for which the brand application, registration and renewal fees are charged and collected and shall fix and adjust from time to time each such fee in such reasonable amount as may be necessary for such purposes, except that in no case shall either the following exceed \$100:

(A) The brand renewal fee; or

(B) the total of the brand application fee and registration fee or the renewal fee exceed \$55.

(2) The amounts of the brand application fee, registration fee and the renewal fee in effect on the day preceding the effective date of this act June 30, 2024, shall continue in effect until the animal health commissioner fixes different amounts for such fees under this section.";

Also on page 1, in line 12, after "(a)" by inserting "'Aircraft" means the same as defined in 14 C.F.R. § 1.1, as in effect on July 1, 2024.

(b)";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 4, in line 13, after "K.S.A." by inserting "47-417,";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, after the semicolon by inserting "relating to livestock marks and brands; requiring approval of livestock brand applications by the animal health commissioner; submission of brand application and registration fees; increasing the maximum amount for brand registration and renewal fees;"; in line 6, after "K.S.A." by inserting "47-417,";

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

VIRGIL PECK

CAROLYN MCGINN

MARY WARE

Conferees on part of Senate

KEN RAHJES

LISA MOSER

SYDNEY CARLIN

Conferees on part of House

Senator Peck moved the Senate adopt the Conference Committee Report on **S Sub HB 2047**.

On roll call, the vote was: Yeas 34; Nays 2; Present and Passing 0; Absent or Not Voting 4.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, O'Shea, Peck, Petersen, Pettey, Pittman, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Warren, Wilborn.

Nays: Tyson, Ware.

Absent or Not Voting: Holscher, Longbine, Olson, Pyle.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2096** 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

VIRGIL PECK

Conferees on part of Senate

ADAM SMITH
 BRIAN BERGKAMP
 TOM SAWYER

Conferees on part of House

On motion of Senator Tyson the Senate adopted the conference committee report on **HB 2096**, and requested a new conference be appointed.

The President appointed Senators Tyson, Peck and Holland as a third Conference Committee on the part of the Senate on **HB 2096**.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2096** 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 9 through 36; following line 36, by inserting:

"New Section 1. (a) This act shall be known and may be cited as the veterans' valor property tax relief act.

(b) There shall be allowed as a credit against the tax liability of a taxpayer imposed under the Kansas income tax act for tax year 2024, and all tax years thereafter, in an amount equal to 75% of the amount of property and ad valorem taxes actually and timely paid by a taxpayer who has been deemed to be permanently and totally disabled or unemployable pursuant to 38 C.F.R. § 3.340 if such taxes were paid upon real or personal property used for residential purposes of such taxpayer that is the taxpayer's principal place of residence for the tax year in which the tax credit is claimed.

(c) The amount of any such credit for any such taxpayer shall not exceed the amount of property and ad valorem taxes paid by such taxpayer as specified in this section. A taxpayer shall not take the credit pursuant to this section if such taxpayer has received a homestead property tax refund pursuant to K.S.A. 79-4501 et seq., and amendments thereto, or a credit pursuant to the selective assistance for effective senior relief pursuant to K.S.A. 79-32,263, and amendments thereto, for such property for such tax year.

(d) Subject to the provisions of this section, if the amount of such tax credit exceeds the taxpayer's income tax liability for the taxable year, the amount of such excess credit that exceeds such tax liability shall be refunded to the taxpayer.

(e) The secretary of revenue shall adopt rules and regulations regarding the filing of documents that support the amount of the credit claimed pursuant to this section.

(f) The provisions of this act shall be a part of and supplemental to the homestead property tax refund act, except that the income or appraised valuation limits set forth in the homestead property tax refund act shall not apply to this section.

New Sec. 2. (a) The owner of any real property and personal property owned and operated by a business in the state of Kansas that is used by the business predominantly for child care center, health club or restaurant purposes and is located within the taxing jurisdiction of a governmental entity where there is at least one facility owned or operated by such governmental entity that competes against the business and such competing facility owned or operated by the governmental entity is exempt from

property or ad valorem taxes levied under any laws of the state of Kansas may make application to such governmental entity for a rebate in an amount equal to the amount of ad valorem property tax levied by such competing governmental entity upon such property for the tax year during which such competition occurred. The rebate shall only be granted if such competing activity by the governmental entity began after the business claiming the rebate began using the real and personal property for a qualifying purpose pursuant to this section.

(b) To be eligible for the rebate authorized by this section, the business owning and operating the described property herein shall be in compliance with state law, city ordinances and county resolutions and shall be current in the payment of state and local taxes.

(c) The owner requesting a rebate pursuant to this section shall be required to submit an application with any supporting documentation to the governing body of such governmental entity on or before December 20 of the year following the tax year at issue.

(d) If the governing body of the governmental entity determines that the owner is eligible for such rebate, such governmental entity shall provide the rebate from the general fund of such governmental entity.

(e) If the governing body of the governmental entity determines that the owner is not eligible for such rebate, the governing body shall provide a written final decision to the owner. The owner may appeal such final decision to the state board of tax appeals within 30 days after service of the final decision.

(f) For purposes of this section:

(1) "Competes against the business" means offering the same or substantially the same goods or services to the public and receiving any payment for those goods or services at least $\frac{1}{2}$ the number of days per tax year as the business claiming the rebate and such facility owned or operated by a governmental entity is used for the predominant purpose of a child care center, health club or restaurant and is located within the same city as or within five miles of the real property and personal property owned and operated by the business. "Competes against the business" does not include providing such goods or services without receiving payment for those goods or services or providing such goods or services predominantly to its own employees or students. "Competes against the business" does not include restaurants used for educational purposes.

(2) "Governmental entity" means any county or city. Any facility owned or operated by a governmental entity that is to be funded as a result of an election where voters of the governmental entity are asked to approve the imposition of a tax or other funding for the facility, its operations or the repayment of bonds related to such facility shall include in the description of the ballot proposition that such governmental facility may compete against businesses and cause private business to be eligible for a rebate.

(3) "Predominant purpose" means the primary reason individuals attend a facility owned or operated by a governmental entity and is not merely incidental to the operation of the facility. The provision of food at a facility owned or operated by a governmental entity shall not alone constitute the predominate purpose of a facility if the predominate purpose of the entire facility operates for reasons beyond restaurant purposes.

(4) "Real property and personal property owned and operated by a business" means

any real property and personal property where the owner of the property is a business enterprise that operates the business and collects the payment of a fee entitling the buyer to use the facility or sells goods or services to the buyer and such owner of the property and operator of the business enterprise are the same business entity, a parent or subsidiary of the same business entity or have any direct or indirect common ownership.

(g) The provisions of this section shall be applicable for tax years commencing after December 31, 2024.

New Sec. 3. (a) The following described property, to the extent herein specified, is hereby exempt from all property or ad valorem taxes levied under the laws of the state of Kansas:

- (1) Any off-road vehicle that is not operated upon any highway;
 - (2) any motorized bicycle, electric-assisted bicycle, electric-assisted scooter, electric personal assistive mobility device and motorized wheelchair as such terms are defined in K.S.A. 8-126, and amendments thereto;
 - (3) any trailer having a gross weight of 15,000 pounds or less that is used exclusively for personal use and not for the production of income; and
 - (4) any marine equipment.
- (b) For purposes of this section:
- (1) "Marine equipment" means any watercraft trailer designed to launch, retrieve, transport and store watercraft and any watercraft motor designed to operate watercraft on the water;
 - (2) "off-road motorcycle" means any motorcycle as defined in K.S.A. 8-126, and amendments thereto, that has been manufactured for off-road use only and is used exclusively off roads and highways; and
 - (3) "off-road vehicle" means:
 - (A) Any all-terrain vehicle, recreational off-highway vehicle and golf cart as such terms are defined in K.S.A. 8-126, and amendments thereto; and
 - (B) any off-road motorcycle and snowmobile.
- (c) The provisions of this section shall apply to all taxable years commencing after December 31, 2024.

Sec. 4. K.S.A. 79-213 is hereby amended to read as follows: 79-213. (a) Any property owner requesting an exemption from the payment of ad valorem property taxes assessed, or to be assessed, against their property shall be required to file an initial request for exemption, on forms approved by the state board of tax appeals and provided by the county appraiser.

(b) The initial exemption request shall identify the property for which the exemption is requested and state, in detail, the legal and factual basis for the exemption claimed.

(c) The request for exemption shall be filed with the county appraiser of the county where such property is principally located.

(d) After a review of the exemption request, and after a preliminary examination of the facts as alleged, the county appraiser shall recommend that the exemption request either be granted or denied, and, if necessary, that a hearing be held. If a denial is recommended, a statement of the controlling facts and law relied upon shall be included on the form.

(e) The county appraiser, after making such written recommendation, shall file the

request for exemption and the recommendations of the county appraiser with the state board of tax appeals. With regard to a request for exemption from property tax pursuant to the provisions of K.S.A. 79-201g and 82a-409, and amendments thereto, not filed with the board of tax appeals by the county appraiser on or before the effective date of this act, if the county appraiser recommends the exemption request be granted, the exemption shall be provided in the amount recommended by the county appraiser and the county appraiser shall not file the request for exemption and recommendations of the county appraiser with the state board of tax appeals. The county clerk or county assessor shall annually make such adjustment in the taxes levied against the real property as the owner may be entitled to receive under the provisions of K.S.A. 79-201g, and amendments thereto, as recommended by the county appraiser, beginning with the first period, following the date of issue of the certificate of completion on which taxes are regularly levied, and during the years which the landowner is entitled to such adjustment.

(f) Upon receipt of the request for exemption, the board shall docket the same and notify the applicant and the county appraiser of such fact.

(g) After examination of the request for exemption and the county appraiser's recommendation related thereto, the board may fix a time and place for hearing, and shall notify the applicant and the county appraiser of the time and place so fixed. A request for exemption pursuant to: (1) Section 13 of article 11 of the constitution of the state of Kansas; or (2) K.S.A. 79-201a *Second*, and amendments thereto, for property constructed or purchased, in whole or in part, with the proceeds of revenue bonds under the authority of K.S.A. 12-1740 through 12-1749, and amendments thereto, prepared in accordance with instructions and assistance which shall be provided by the department of commerce, shall be deemed approved unless scheduled for hearing within 30 days after the date of receipt of all required information and data relating to the request for exemption, and such hearing shall be conducted within 90 days after such date. Such time periods shall be determined without regard to any extension or continuance allowed to either party to such request. In any case where a party to such request for exemption requests a hearing thereon, the same shall be granted. Hearings shall be conducted in accordance with the provisions of the Kansas administrative procedure act. In all instances where the board sets a request for exemption for hearing, the county shall be represented by its county attorney or county counselor.

(h) Except as otherwise provided by subsection (g), in the event of a hearing, the same shall be originally set not later than 90 days after the filing of the request for exemption with the board.

(i) During the pendency of a request for exemption, no person, firm, unincorporated association, company or corporation charged with real estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, on the tax books in the hands of the county treasurer shall be required to pay the tax from the date the request is filed with the county appraiser until the expiration of 30 days after the board issued its order thereon and the same becomes a final order. In the event that taxes have been assessed against the subject property, no interest shall accrue on any unpaid tax for the year or years in question nor shall the unpaid tax be considered delinquent from the date the request is filed with the county appraiser until the expiration of 30 days after the board issued its order thereon. In the event the board determines an application for exemption is without merit and filed in bad faith to delay

the due date of the tax, the tax shall be considered delinquent as of the date the tax would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, and interest shall accrue as prescribed therein.

(j) In the event the board grants the initial request for exemption, the same shall be effective beginning with the date of first exempt use except that, with respect to property the construction of which commenced not to exceed 24 months prior to the date of first exempt use, the same shall be effective beginning with the date of commencement of construction.

(k) In conjunction with its authority to grant exemptions, the board shall have the authority to abate all unpaid taxes that have accrued from and since the effective date of the exemption. In the event that taxes have been paid during the period where the subject property has been determined to be exempt, the board shall have the authority to order a refund of taxes for the year immediately preceding the year in which the exemption application is filed in accordance with subsection (a).

(l) The provisions of this section shall not apply to: (1) Farm machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto; (2) personal property exempted from ad valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing apparel, household goods and personal effects exempted from ad valorem taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all property exempted from ad valorem taxation by K.S.A. 79-201d, and amendments thereto; (6) merchants' and manufacturers' inventories exempted from ad valorem taxation by K.S.A. 79-201m, and amendments thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n, and amendments thereto; (8) property exempted from ad valorem taxation by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all property previously acquired by the secretary of transportation or a predecessor in interest, which is used in the administration, construction, maintenance or operation of the state system of highways. The secretary of transportation shall at the time of acquisition of property notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (9) property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*, and amendments thereto, including all property previously acquired by the Kansas turnpike authority which is used in the administration, construction, maintenance or operation of the Kansas turnpike. The Kansas turnpike authority shall at the time of acquisition of property notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (10) aquaculture machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in this section, "aquaculture" has the same meaning ascribed thereto by K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto; (12) property used exclusively by the state or any municipality or political subdivision of the state for right-of-way purposes. The state agency or the governing body of the municipality or political subdivision shall at the time of acquisition of property for right-of-way purposes notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (13) machinery, equipment, materials and supplies exempted from ad valorem taxation by K.S.A. 79-201w, and amendments thereto; (14) vehicles owned by the state or by any

political or taxing subdivision thereof and used exclusively for governmental purposes; (15) property used for residential purposes which is exempted pursuant to K.S.A. 79-201x, and amendments thereto, from the property tax levied pursuant to K.S.A. 72-5142, and amendments thereto; (16) from and after July 1, 1998, vehicles which are owned by an organization having as one of its purposes the assistance by the provision of transit services to the elderly and to disabled persons and which are exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17) from and after July 1, 1998, motor vehicles exempted from taxation by K.S.A. 79-5107(e), and amendments thereto; (18) commercial and industrial machinery and equipment exempted from property or ad valorem taxation by K.S.A. 79-223, and amendments thereto; (19) telecommunications machinery and equipment and railroad machinery and equipment exempted from property or ad valorem taxation by K.S.A. 79-224, and amendments thereto; (20) property exempted from property or ad valorem taxation by K.S.A. 79-234, and amendments thereto; (21) recreational vehicles exempted from property or ad valorem taxation by K.S.A. 79-5121(e), and amendments thereto; (22) property acquired by a land bank exempt from property or ad valorem taxation pursuant to K.S.A. 12-5909 or K.S.A. 19-26,111, and amendments thereto; ~~and~~ (23) property belonging exclusively to the United States and exempted from ad valorem taxation by K.S.A. 79-201a *First*, and amendments thereto, except that the provisions of this subsection (l)(23) shall not apply to any such property that the congress of the United States has expressly declared to be subject to state and local taxation; (24) watercraft exempted from property or ad valorem taxation by K.S.A. 79-5501, and amendments thereto; and (25) property exempted from property or ad valorem taxation by section 3, and amendments thereto.

(m) The provisions of this section shall apply to property exempt pursuant to the provisions of section 13 of article 11 of the constitution of the state of Kansas.

(n) The provisions of subsection (k) as amended by this act shall be applicable to all exemption applications filed in accordance with subsection (a) after December 31, 2001.

(o) No exemption authorized by K.S.A. 79-227, and amendments thereto, of property from the payment of ad valorem property taxes assessed shall be granted unless the requesting property owner files an initial request for exemption pursuant to this section within two years of the date in which construction of a new qualifying pipeline property began. The provisions of this subsection shall be applicable to all requests for exemptions filed in accordance with subsection (a) after June 30, 2017.

Sec. 5. K.S.A. 79-503a is hereby amended to read as follows: 79-503a. "Fair market value" means the amount in terms of money that a well informed buyer is justified in paying and a well informed seller is justified in accepting for property in an open and competitive market, assuming that the parties are acting without undue compulsion. In the determination of fair market value of any real property which is subject to any special assessment, such value shall not be determined by adding the present value of the special assessment to the sales price. For the purposes of this definition it will be assumed that consummation of a sale occurs as of January 1.

Sales in and of themselves shall not be the sole criteria of fair market value but shall be used in connection with cost, income and other factors including but not by way of exclusion:

(a) The proper classification of lands and improvements;

- (b) the size thereof;
- (c) the effect of location on value;
- (d) depreciation, including physical deterioration or functional, economic or social obsolescence;
- (e) cost of reproduction of improvements;
- (f) productivity taking into account all restrictions imposed by the state or federal government and local governing bodies, including, but not limited to, restrictions on property rented or leased to low income individuals and families as authorized by section 42 of the federal internal revenue code of 1986, as amended;
- (g) earning capacity as indicated by lease price, by capitalization of net income or by absorption or sell-out period;
- (h) rental or reasonable rental values or rental values restricted by the state or federal government or local governing bodies, including, but not limited to, restrictions on property rented or leased to low income individuals and families, as authorized by section 42 of the federal internal revenue code of 1986, as amended;
- (i) sale value on open market with due allowance to abnormal inflationary factors influencing such values;
- (j) restrictions or requirements imposed upon the use of real estate by the state or federal government or local governing bodies, including zoning and planning boards or commissions, and including, but not limited to, restrictions or requirements imposed upon the use of real estate rented or leased to low income individuals and families, as authorized by section 42 of the federal internal revenue code of 1986, as amended; and
- (k) comparison with values of other property of known or recognized value. The assessment-sales ratio study shall not be used as an appraisal for appraisal purposes.

The appraisal process utilized in the valuation of all real and tangible personal property for ad valorem tax purposes shall conform to generally accepted appraisal procedures and standards which are consistent with the definition of fair market value unless otherwise specified by law.

The sale price or value at which a property sells or transfers ownership in a federal internal revenue code section 1031 exchange shall not be considered an indicator of fair market value nor as a factor in arriving at fair market value. Federal internal revenue code section 1031 exchange transactions shall not be used as comparable sales for valuation purposes nor as valid sales for purposes of sales ratio studies conducted pursuant to K.S.A. 79-1485 et seq., and amendments thereto.

Sec. 6. K.S.A. 2023 Supp. 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. Alternatively, the county appraiser may transmit the classification and appraised valuation to the taxpayer by electronic means if such taxpayer consented to service by electronic means.

(b) 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 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.

(c) 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.

(d) (1) The notice provided under subsection (a) shall specify:

(A) Separately for the previous tax year and the current tax year, the appraised and assessed values for each property class identified on the parcel;

(B) the uniform parcel identification number prescribed by the director of property valuation; ~~and~~

(C) 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 (g); and

(D) a valuation history of the parcel that includes, at a minimum, a statement or display of the total appraised values of the parcel for the current tax year and the previous four tax years.

(2) 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.

(e) 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.

(f) 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.

(g) 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.

(h) As used in this section:

(1) "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.

(2) "Normal repair, replacement or maintenance" does not include new construction.

(3) "Taxpayer" means the person in ownership of the property as indicated on the records of the office of register of deeds or county clerk and includes the lessee of such property if the lease agreement has been recorded or filed in the office of the register of deeds and the real property or improvement thereon is subject of a lease agreement.

Sec. 7. K.S.A. 2023 Supp. 79-2005 is hereby amended to read as follows: 79-2005. (a) Any taxpayer, before protesting the payment of such taxpayer's taxes, shall be required, either at the time of paying such taxes, or, if the whole or part of the taxes are paid prior to December 20, no later than December 20, or, with respect to taxes paid in whole or in part in an amount equal to at least $\frac{1}{2}$ of such taxes on or before December 20 by an escrow or tax service agent, no later than January 31 of the next year, to file a written statement with the county treasurer, on forms approved by the state board of tax appeals and provided by the county treasurer, clearly stating the grounds on which the whole or any part of such taxes are protested and citing any law, statute or facts on which such taxpayer relies in protesting the whole or any part of such taxes. When the grounds of such protest is an assessment of taxes made pursuant to K.S.A. 79-332a and 79-1427a, and amendments thereto, the county treasurer may not distribute the taxes paid under protest until such time as the appeal is final. When the grounds of such protest is that the valuation or assessment of the property upon which the taxes are levied is illegal or void, the county treasurer shall forward a copy of the written statement of protest to the county appraiser who shall within 15 days of the receipt thereof, schedule an informal meeting with the taxpayer or such taxpayer's agent or attorney with reference to the property in question. At the informal meeting, it shall be the duty of the county appraiser or the county appraiser's designee to initiate production of evidence to substantiate the valuation of such property, including a summary of the reasons that the valuation of the property has been increased over the preceding year, any assumptions used by the county appraiser to determine the value of the property and a description of the individual property characteristics, property specific valuation records and conclusions. The taxpayer shall be provided with the opportunity to review the data sheets applicable to the valuation approach utilized for the subject property. The county appraiser shall take into account any evidence provided by the taxpayer which relates to the amount of deferred maintenance and depreciation of the property. The county appraiser shall review the appraisal of the taxpayer's property with the taxpayer or such taxpayer's agent or attorney and may change the valuation of the taxpayer's property, if in the county appraiser's opinion a change in the valuation of the taxpayer's property is required to assure that the taxpayer's property is valued according to law, and shall, within 15 business days thereof, notify the taxpayer in the event the valuation of the taxpayer's property is changed, in writing of the results of the meeting.

The county appraiser shall not increase the appraised valuation of the property as a result of the informal meeting. In the event the valuation of the taxpayer's property is changed and such change requires a refund of taxes and interest thereon, the county treasurer shall process the refund in the manner provided by subsection (l).

(b) No protest appealing the valuation or assessment of property shall be filed pertaining to any year's valuation or assessment when an appeal of such valuation or assessment was commenced pursuant to K.S.A. 79-1448, and amendments thereto, nor shall the second half payment of taxes be protested when the first half payment of taxes has been protested. Notwithstanding the foregoing, this provision shall not prevent any subsequent owner from protesting taxes levied for the year in which such property was acquired, nor shall it prevent any taxpayer from protesting taxes when:

(1) The valuation or assessment of such taxpayer's property has been changed pursuant to an order of the director of property valuation;

(2) the taxpayer withdrew such taxpayer's appeal commenced pursuant to K.S.A. 79-1448, and amendments thereto; or

(3) the taxpayer wishes to present new evidence relating to the valuation or assessment of such property.

(c) A protest shall not be necessary to protect the right to a refund of taxes in the event a refund is required because the final resolution of an appeal commenced pursuant to K.S.A. 79-1448, and amendments thereto, occurs after the final date prescribed for the protest of taxes.

(d) If the grounds of such protest shall be that the valuation or assessment of the property upon which the taxes so protested are levied is illegal or void, such statement shall further state the exact amount of valuation or assessment which the taxpayer admits to be valid and the exact portion of such taxes which is being protested.

(e) If the grounds of such protest shall be that any tax levy, or any part thereof, is illegal, such statement shall further state the exact portion of such tax which is being protested.

(f) Upon the filing of a written statement of protest, the grounds of which shall be that any tax levied, or any part thereof, is illegal, the county treasurer shall mail a copy of such written statement of protest to the state board of tax appeals and the governing body of the taxing district making the levy being protested.

(g) Within 30 days after notification of the results of the informal meeting with the county appraiser pursuant to subsection (a), the protesting taxpayer may, if aggrieved by the results of the informal meeting with the county appraiser, appeal such results to the state board of tax appeals.

(h) After examination of the copy of the written statement of protest and a copy of the written notification of the results of the informal meeting with the county appraiser in cases where the grounds of such protest is that the valuation or assessment of the property upon which the taxes are levied is illegal or void, the board shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act, unless waived by the interested parties in writing. If the grounds of such protest is that the valuation or assessment of the property is illegal or void the board shall notify the county appraiser thereof.

(i) In the event of a hearing, the same shall be originally set not later than 90 days after the filing of the copy of the written statement of protest and a copy, when applicable, of the written notification of the results of the informal meeting with the

county appraiser with the board. With regard to any matter properly submitted to the board relating to the determination of valuation of residential property or real property used for commercial and industrial purposes for taxation purposes, it shall be the duty of the county appraiser to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination except that no such duty shall accrue to the county or district appraiser with regard to leased commercial and industrial property unless the property owner has furnished to the county or district appraiser a complete income and expense statement for the property for the three years next preceding the year of appeal. No presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination. In all instances where the board sets a request for hearing and requires the representation of the county by its attorney or counselor at such hearing, the county shall be represented by its county attorney or counselor. The board shall take into account any evidence provided by the taxpayer which relates to the amount of deferred maintenance and depreciation for the property. In any appeal from the reclassification of property that was classified as land devoted to agricultural use for the preceding year, the taxpayer's classification of the property as land devoted to agricultural use shall be presumed to be valid and correct if the taxpayer provides an executed lease agreement or other documentation demonstrating a commitment to use the property for agricultural use, if no other actual use is evident. With regard to any matter properly submitted to the board relating to the determination of valuation of property for taxation purposes, the board shall not increase the appraised valuation of the property to an amount greater than the appraised value reflected in the notification of the results of the informal meeting with the county appraiser from which the taxpayer appealed.

(j) When a determination is made as to the merits of the tax protest, the board shall render and serve its order thereon. The county treasurer shall notify all affected taxing districts of the amount by which tax revenues will be reduced as a result of a refund.

(k) If a protesting taxpayer fails to file a copy of the written statement of protest and a copy, when applicable, of the written notification of the results of the informal meeting with the county appraiser with the board within the time limit prescribed, such protest shall become null and void and of no effect whatsoever.

(l) (1) In the event the board orders that a refund be made pursuant to this section or the provisions of K.S.A. 79-1609, and amendments thereto, or a court of competent jurisdiction orders that a refund be made, and no appeal is taken from such order, or in the event a change in valuation which results in a refund pursuant to subsection (a), the county treasurer shall, as soon thereafter as reasonably practicable, refund to the taxpayer such protested taxes and, with respect to protests or appeals commenced after the effective date of this act, interest computed at the rate prescribed by K.S.A. 79-2968, and amendments thereto, minus two percentage points, per annum from the date of payment of such taxes from tax moneys collected but not distributed. Upon making such refund, the county treasurer shall charge the fund or funds having received such protested taxes, except that, with respect to that portion of any such refund attributable to interest the county treasurer shall charge the county general fund. In the event that the state board of tax appeals or a court of competent jurisdiction finds that any time delay in making its decision is unreasonable and is attributable to the taxpayer, it may order that no interest or only a portion thereof be added to such refund of taxes.

(2) No interest shall be allowed pursuant to paragraph (1) in any case where the tax

paid under protest was inclusive of delinquent taxes.

(m) Whenever, by reason of the refund of taxes previously received or the reduction of taxes levied but not received as a result of decreases in assessed valuation, it will be impossible to pay for imperative functions for the current budget year, the governing body of the taxing district affected may issue no-fund warrants in the amount necessary. Such warrants shall conform to the requirements prescribed by K.S.A. 79-2940, and amendments thereto, except they shall not bear the notation required by such section and may be issued without the approval of the state board of tax appeals. The governing body of such taxing district shall make a tax levy at the time fixed for the certification of tax levies to the county clerk next following the issuance of such warrants sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized by law.

(n) Whenever a taxpayer appeals to the board of tax appeals pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, or pays taxes under protest related to one property whereby the assessed valuation of such property exceeds 5% of the total county assessed valuation of all property located within such county and the taxpayer receives a refund of such taxes paid under protest or a refund made pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, the county treasurer or the governing body of any taxing subdivision within a county may request the pooled money investment board to make a loan to such county or taxing subdivision as provided in this section. The pooled money investment board is authorized and directed to loan to such county or taxing subdivision sufficient funds to enable the county or taxing subdivision to refund such taxes to the taxpayer. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments of the state of Kansas to provide the funds for such loan. Each loan shall bear interest at a rate equal to the net earnings rate of the pooled money investment portfolio at the time of the making of such loan. The total aggregate amount of loans under this program shall not exceed \$50,000,000 of unencumbered funds pursuant to article 42 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto. Such loan shall not be deemed to be an indebtedness or debt of the state of Kansas within the meaning of section 6 of article 11 of the constitution of the state of Kansas. Upon certification to the pooled money investment board by the county treasurer or governing body of the amount of each loan authorized pursuant to this subsection, the pooled money investment board shall transfer each such amount certified by the county treasurer or governing body from the state bank account or accounts prescribed in this subsection to the county treasurer who shall deposit such amount in the county treasury. Any such loan authorized pursuant to this subsection shall be repaid within four years. The county or taxing subdivision shall make not more than four equal annual tax levies at the time fixed for the certification of tax levies to the county clerk following the making of such loan sufficient to pay such loan within the time period required under such loan. All such tax levies shall be in addition to all other levies authorized by law.

(o) The county treasurer shall disburse to the proper funds all portions of taxes paid under protest and shall maintain a record of all portions of such taxes which are so protested and shall notify the governing body of the taxing district levying such taxes thereof and the director of accounts and reports if any tax protested was levied by the state.

(p) This statute shall not apply to the valuation and assessment of property assessed by the director of property valuation and it shall not be necessary for any owner of state assessed property, who has an appeal pending before the state board of tax appeals, to protest the payment of taxes under this statute solely for the purpose of protecting the right to a refund of taxes paid under protest should that owner be successful in that appeal.

Sec. 8. K.S.A. 79-32,111c is hereby amended to read as follows: 79-32,111c. (a) There shall be allowed as a credit against the tax liability of a resident individual imposed under the Kansas income tax act an amount equal to 12.5% for tax year 2018; an amount equal to 18.75% for tax year 2019; ~~and an amount equal to 25% for tax-year years 2020 through 2023; and an amount equal to 100% for tax year 2024,~~ and all tax years thereafter, of the amount of the credit allowed against such taxpayer's federal income tax liability pursuant to 26 U.S.C. § 21 for the taxable year in which such credit was claimed against the taxpayer's federal income tax liability.

(b) The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by K.S.A. 79-32,110, and amendments thereto, reduced by the sum of any other credits allowable pursuant to law.

(c) No credit provided under this section shall be allowed to any individual who fails to provide a valid social security number issued by the social security administration, to such individual, the individual's spouse and every dependent of the individual.

Sec. 9. K.S.A. 2023 Supp. 79-4508a is hereby amended to read as follows: 79-4508a. (a) For tax year 2022, and all tax years thereafter, the amount of any claim pursuant to this section shall be computed by deducting the claimant's base year ad valorem tax amount for the homestead from the claimant's homestead ad valorem tax amount for the tax year for which the refund is sought. This section shall be known and may be cited as the homeowners' property tax freeze program.

(b) As used in this section:

(1) "Base year" means the year in which an individual becomes an eligible claimant and who is also eligible for a claim for refund pursuant to this section. For any individual who would otherwise be an eligible claimant prior to 2021, such base year shall be deemed to be 2021 for the purposes of this act.

(2) "Claimant" means a person who has filed a claim under the provisions of this act and was, during the entire calendar year preceding the year in which such claim was filed for refund under this act, except as provided in K.S.A. 79-4503, and amendments thereto, both domiciled in this state and was: (A) A person who is 65 years of age or older; or (B) a disabled veteran. The surviving spouse of a person 65 years of age or older or a disabled veteran who was receiving benefits pursuant to this section at the time of the claimant's death shall be eligible to continue to receive benefits until such time the surviving spouse remarries.

(3) "Household income" means the total Kansas adjusted gross income of all persons of a household in a calendar year while members of such household excluding any amounts received as benefits under the federal social security act that are included in Kansas adjusted gross income of such persons.

(c) A claimant shall only be eligible for a claim for refund under this section if:

(1) The claimant's household income for the year in which the claim is filed is ~~\$50,000~~ \$80,000 or less; and

(2) the appraised value of the claimant's homestead for the base year is ~~-\$350,000~~ \$500,000 or less.

The provisions of K.S.A. 79-4522, and amendments thereto, shall not apply to a claim pursuant to this section. In the case of all tax years commencing after December 31, 2022, the upper limit household income threshold amount prescribed in this subsection shall be increased by an amount equal to such threshold amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) of the federal internal revenue code for the calendar year in which the taxable year commences.

(d) A taxpayer shall not be eligible for a homestead property tax refund claim pursuant to this section if such taxpayer has received for such property for such tax year either: (1) A homestead property tax refund pursuant to K.S.A. 79-4508, and amendments thereto; or (2) the selective assistance for effective senior relief (SAFESR) credit pursuant to K.S.A. 79-32,263, and amendments thereto.

(e) The amount of any claim shall be computed to the nearest \$1.

(f) The household income and appraised value amendments made to this section by this act shall apply retroactively, and the deadline to file claims for tax years 2022 and 2023 shall be extended to on or before April 15, 2025.

(g) The provisions of this section shall be a part of and supplemental to the homestead property tax refund act.

Sec. 10. K.S.A. 79-5501 is hereby amended to read as follows: 79-5501. (a) ~~On and after Commencing July 1, 2013, and through December 31, 2024,~~ watercraft shall be appraised at fair market value determined therefor pursuant to K.S.A. 79-503a, and amendments thereto, and assessed at the percentage of value as follows: (1) 11.5% in tax year 2014; and (2) 5% in tax ~~year years~~ 2015 and all tax years thereafter through 2024. On and after January 1, 2014, the levy used to calculate the tax on watercraft shall be the county average tax rate. In no case shall the assessed value of any watercraft, as determined under the provisions of this section, cause the tax upon such watercraft to be less than \$12.

(b) As used in this section, the term "watercraft" means any watercraft designed to be propelled by machinery, oars, paddles or wind action upon a sail for navigation on the water which, if not for the provisions of this section, would be properly classified under subclass 5 or 6 of class 2 of section 1 of article 11 of the Kansas constitution. This section shall not be construed as taxing any watercraft which otherwise would be exempt from property taxation under the laws of the state of Kansas. Each watercraft may include one trailer which is designed to launch, retrieve, transport and store such watercraft and any nonelectric motor or motors which are necessary to operate such watercraft on the water.

(c) Any watercraft which is designed to be propelled through the water through human power alone shall be exempt from all property or ad valorem taxes levied under the laws of the state of Kansas.

(d) The "county average tax rate" means the total amount of general property taxes levied within the county by the state, county and all other taxing subdivisions divided by the total assessed valuation of all taxable property within the county as of November 1 of the year prior to the year of valuation as certified by the secretary of revenue.

(e) On and after January 1, 2025, all watercraft shall be exempt from all property or ad valorem taxes levied under the laws of the state of Kansas.;

On page 2, in line 1, by striking "12-2624 and 44-588" and inserting "79-213, 79-

503a, 79-32,111c and 79-5501 and K.S.A. 2023 Supp. 79-1460, 79-2005 and 79-4508a"; in line 3, by striking "Kansas register" and inserting "statute book";

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 4; in line 5, by striking all before the semicolon and inserting "taxation; relating to income tax; establishing the veterans' valor property tax relief act and providing for an income tax credit or refund for eligible individuals; increasing the tax credit amount for household and dependent care expenses; modifying the definition of household income and increasing the appraised value threshold for eligibility of seniors and disabled veterans related to increased property tax claims and citing the section as the homeowners' property tax freeze program; relating to property tax; providing a rebate for certain business property operated in competition with property owned or operated by a governmental entity; providing exemptions for certain personal property including watercraft, marine equipment, off-road vehicles, motorized bicycles and certain trailers; excluding internal revenue code section 1031 exchange transactions as indicators of fair market value; providing for certain exclusions from the prohibition of paying taxes under protest after a valuation notice appeal; providing four prior years' values on the annual valuation notice"; in line 5, by striking "12-2624 and 44-588" and inserting "79-213, 79-503a, 79-32,111c and 79-5501 and K.S.A. 2023 Supp. 79-1460, 79-2005 and 79-4508a";

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

CARYN TYSON

VIRGIL PECK

Conferees on part of Senate

ADAM SMITH

BRIAN BERGKAMP

TOM SAWYER

Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2096**.

On roll call, the vote was: Yeas 23; Nays 11; Present and Passing 1; Absent or Not Voting 5.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Erickson, Fagg, Gossage, Kerschen, Kloos, Masterson, Olson, Peck, Petersen, Pyle, Ryckman, Shallenburger, Straub, Thompson, Tyson, Warren, Wilborn.

Nays: Corson, Dietrich, Faust-Goudeau, Francisco, Haley, Holland, Pettey, Reddi, Steffen, Sykes, Ware.

Present and Passing: Pittman.

Absent or Not Voting: Doll, Holscher, Longbine, McGinn, O'Shea.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2176** submits the following report:

The Senate recesses from all of its Committee of the Whole 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 2, in line 6, after the period by inserting "Each member shall be a resident of the library district.";

On page 6, in line 15, after the period by inserting "Each member shall be a resident of the library district.";

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

CAROLYN MCGINN

ELAINE BOWERS

MARCI FRANCISCO

Conferees on part of Senate

ADAM SMITH

BRIAN BERGKAMP

TOM SAWYER

Conferees on part of House

Senator McGinn moved the Senate adopt the Conference Committee Report on **HB 2176**.

On roll call, the vote was: Yeas 32; Nays 3; Present and Passing 1; Absent or Not Voting 4.

Yeas: Alley, Billinger, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, O'Shea, Peck, Petersen, Pettey, Pittman, Reddi, Ryckman, Steffen, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Nays: Baumgardner, Blasi, Shallenburger.

Present and Passing: Straub.

Absent or Not Voting: Holscher, Longbine, Olson, Pyle.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2392** 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 26 through 34;

By striking all on pages 2 through 40;

On page 41, by striking all in lines 1 through 24; following line 24, by inserting:

"New Section 1. (a) On and after January 1, 2025, any owner or lessee of one or more passenger vehicles, trucks of a gross weight of 20,000 pounds or less or motorcycles, who is a resident of Kansas, and who submits satisfactory proof to the director of vehicles that such person is currently serving in any unit of the 1st infantry division, the Fort Riley garrison or a unit assigned to the Fort Riley garrison or has separated from the United States military, was honorably discharged and served an assignment of at least nine months in any unit of the 1st infantry division, the Fort Riley garrison or any unit assigned to the Fort Riley garrison may be issued one 1st infantry

division license plate for each such passenger vehicle, truck or motorcycle. Such license plate shall be issued for the same period of time as other license plates upon proper registration and payment of the regular license fee as provided in K.S.A. 8-143, and amendments thereto.

(b) Any person who meets the criteria in subsection (a) may make application for such distinctive license plate, not less than 60 days prior to such person's renewal of registration date, on a form prescribed and furnished by the director of vehicles. Any applicant for the distinctive license plate shall furnish the director with proof as the director shall require that the applicant is currently serving in the 1st infantry division or is a retired member or veteran that was assigned to the 1st infantry division or Fort Riley garrison. Application for the registration of a passenger vehicle, truck or motorcycle and issuance of the license plate under this section shall be made by the owner or lessee in a manner prescribed by the director of vehicles upon forms furnished by the director.

(c) No registration or distinctive license plate issued under the authority of this section shall be transferable to any other person.

(d) Renewals of registration under this section shall be made annually, upon payment of the fee prescribed in K.S.A. 8-143, and amendments thereto, and in the manner prescribed in K.S.A. 8-132, and amendments thereto. No renewal of registration shall be made to any applicant until such applicant has filed with the director a form as provided in subsection (b). If such form is not filed, the applicant shall be required to comply with K.S.A. 8-143, and amendments thereto, and return the distinctive license plate to the county treasurer of such person's residence.

(e) Upon satisfactory proof submitted to the director of vehicles, any person issued a license plate under this section may request that the license plate be printed to indicate that such person is a veteran or retired member of the 1st infantry division or Fort Riley garrison.

New Sec. 2. (a) On and after January 1, 2025, any owner or lessee of one or more passenger vehicles, trucks registered for a gross weight of 20,000 pounds or less or motorcycles, who is a resident of the state of Kansas, and who submits satisfactory proof to the director of vehicles that such person is a recipient of the Army of occupation medal or the Navy occupation service medal, upon compliance with the provisions of this section, may be issued one armed services occupation medal license plate for each such passenger vehicle, truck or motorcycle. Such license plates shall be issued for the same period of time as other license plates upon proper registration and payment of the regular license fee as provided in K.S.A. 8-143, and amendments thereto.

(b) Any person who is a recipient of the Army of occupation medal or the Navy occupation service medal may make application for such distinctive license plates, not less than 60 days prior to such person's renewal of registration date, on a form prescribed and furnished by the director of vehicles, and any applicant for the distinctive plates shall furnish the director with proof as the director shall require that the applicant is a recipient of the Army of occupation medal or the Navy occupation service medal. Application for the registration of a passenger vehicle, truck or motorcycle and issuance of the license plates under this section shall be made by the owner or lessee in a manner prescribed by the director of vehicles upon forms furnished by the director.

(c) No registration or distinctive license plates issued under the authority of this

section shall be transferable to any other person.

(d) Renewals of registration under this section shall be made annually, upon payment of the fee prescribed in K.S.A. 8-143, and amendments thereto, and in the manner prescribed in K.S.A. 8-132, and amendments thereto. No renewal of registration shall be made to any applicant until such applicant has filed with the director a form as provided in subsection (b). If such form is not filed, the applicant shall be required to comply with K.S.A. 8-143, and amendments thereto, and return the distinctive license plates to the county treasurer of such person's residence.

Sec. 3. K.S.A. 2023 Supp. 8-1,141 is hereby amended to read as follows: 8-1,141.

(a) (1) Except as provided in paragraph (2), any new distinctive license plate authorized for issuance on and after July 1, 1994, shall be subject to the personalized license plate fee prescribed by K.S.A. 8-132(d), and amendments thereto. This section shall not apply to any distinctive license plate authorized prior to July 1, 1994.

(2) On and after January 1, 2025, any distinctive license plate may be a personalized license plate subject to the provisions of K.S.A. 8-132, and amendments thereto. Any personalized distinctive license plate shall be subject to a fee that is double the amount prescribed by K.S.A. 8-132(d), and amendments thereto.

(b) The director of vehicles shall not issue any new distinctive license plate unless there is a guarantee of an initial issuance of at least 250 license plates.

(c) The provisions of this section shall not apply to distinctive license plates issued under the provisions of K.S.A. 8-177d, 8-1,145, 8-1,163, 8-1,166, 8-1,185, 8-1,186, 8-1,187, 8-1,188, 8-1,194, 8-1,195, 8-1,196, 8-1,197, 8-1,198, 8-1,199, 8-1,204 or 8-1,205, and amendments thereto, or section 1 or 2, and amendments thereto, except that such distinctive license plates may be personalized license plates pursuant to subsection (a)(2) if an applicant pays the personalized license plate fee prescribed by K.S.A. 8-132(d), and amendments thereto.

(d) The provisions of subsection (a) shall not apply to distinctive license plates issued under the provisions of K.S.A. 8-1,146, 8-1,148, 8-1,153, 8-1,158 or 8-1,161, and amendments thereto, except that such distinctive license plates may be personalized license plates pursuant to subsection (a)(2) if an applicant pays the personalized license plate fee prescribed by K.S.A. 8-132(d), and amendments thereto.

(e) The provisions of subsection (f) shall not apply to distinctive license plates issued under the provisions of K.S.A. 8-1,160, and 8-1,183, and amendments thereto, and K.S.A. 2023 Supp. 8-1,211, and amendments thereto, except that the division shall delay the manufacturing and issuance of such distinctive license plate until the division has received not fewer than 100 orders for such plate, including payment of the personalized license plate fee required under subsection (a). Upon certification by the director of vehicles to the director of accounts and reports that not less than 100 paid orders for such plate have been received, the director of accounts and reports shall transfer \$4,000 from the state highway fund to the distinctive license plate fund.

(f) (1) Any person or organization sponsoring any distinctive license plate authorized by the legislature shall submit to the division of vehicles a nonrefundable amount not to exceed \$5,000, to defray the division's cost for developing such distinctive license plate.

(2) All moneys received under this subsection shall be remitted by the secretary of revenue 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 distinctive license plate fund which is hereby created in the state treasury. All moneys credited to the distinctive license plate fund shall be used by the department of revenue only for the purpose associated with the development of distinctive license plates. All expenditures from the distinctive license plate application fee fund shall be made in accordance with appropriation acts, upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of the department of revenue.

(g) The director of vehicles shall discontinue the issuance of any distinctive license plate if:

(1) Fewer than 250 plates, including annual renewals, are issued for that distinctive license plate by the end of the second year of sales; and

(2) fewer than 125 license plates, including annual renewals, are issued for that distinctive license plate during any subsequent two-year period.

(h) An application for any distinctive license plate issued and the corresponding royalty fee may be collected either by the county treasurer or the entity benefiting from the issuance of the distinctive license plate. Annual royalty payments collected by the county treasurers 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 a segregated royalty fund which shall be administered by the state treasurer. All expenditures from the royalty fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state treasurer or the state treasurer's designee. Payments from the royalty fund shall be made to the entity benefiting from the issuance of the distinctive license plate on a monthly basis.

(i) Notwithstanding any other provision of law, for any distinctive license plate, the division shall produce such distinctive license plate for a motorcycle upon request to the division by the organization sponsoring the distinctive license plate.

(j) In addition to any residency requirements for all distinctive license plates, any person not a resident of Kansas, serving as a member of the armed forces stationed in this state shall be eligible to apply for any distinctive license plate as if the individual was a resident of this state. Such person shall be eligible to renew the distinctive license plate registration as long as the person is still stationed in this state at the time the registration is renewed.

Sec. 4. K.S.A. 8-1,147 is hereby amended to read as follows: 8-1,147. In the event of the death of any person issued distinctive license plates under the provisions of K.S.A. 8-161, 8-177a, 8-177c, 8-1,139, 8-1,140, 8-1,145 or 8-1,146 or 8-177d, 8-1,163, 8-1,166, 8-1,185, 8-1,186, 8-1,187, 8-1,188, 8-1,194, 8-1,195, 8-1,196, 8-1,197, 8-1,198, 8-1,199, 8-1,204 or 8-1,205, and amendments thereto, or section 1 or 2, and amendments thereto, the surviving spouse or other family member, if there is no surviving spouse, shall be entitled to possession of any such distinctive license plates. Such license plates shall not be displayed on any vehicle unless otherwise authorized by statute.

Sec. 5. K.S.A. 2023 Supp. 32-934, as amended by section 10 of 2024 House Bill No. 2760, is hereby amended to read as follows: 32-934. (a) Subject to the provisions of K.S.A. 32-920, and amendments thereto, the secretary of wildlife and parks or the secretary's designee shall issue, free of charge, a permanent license to hunt and fish to

any person residing in the state who submits to the secretary satisfactory proof that the person is a disabled veteran. Any such person hunting or fishing in this state shall be subject to the provisions of all rules and regulations relating to hunting or fishing.

(b) As used in this section, "disabled veteran" means a person who:

(1) Served in the active military, naval, air or space service and who was discharged or released therefrom under ~~conditions other than dishonorable~~ an honorable discharge or a general discharge under honorable conditions;

(2) received a disability that was incurred or aggravated in the line of duty in the active military, naval, air or space service; and

(3) has a service-connected evaluation percentage equal to or greater than 30% pursuant to 38 U.S.C. § 1101 et seq. or 10 U.S.C. § 1201 et seq.

Sec. 6. K.S.A. 73-230, as amended by section 25 of 2024 House Bill No. 2760, is hereby amended to read as follows: 73-230. (a) In awarding any contract for the performance of any job or service for which moneys appropriated are to be expended, the secretary of administration, or the secretary's designee, shall give a preference to disabled veteran businesses doing business as Kansas firms, corporations or individuals, or that maintain Kansas offices or places of business and shall have the goal of awarding at least 3% of all such contracts to disabled veteran businesses.

(b) As used in this section:

(1) "Disabled veteran" means a person who:

(A) Served in the active military, naval, air or space service and who was discharged or released therefrom under ~~conditions other than dishonorable~~ an honorable discharge or a general discharge under honorable conditions;

(B) received a disability that was incurred or aggravated in the line of duty in the active military, naval, air or space service;

(C) has a service-connected evaluation percentage equal to or greater than 30% pursuant to 38 U.S.C. § 1101 et seq. or 10 U.S.C. § 1201 et seq.

(2) "Disabled veteran business" means a business: (A) Not less than 51% of which is owned by one or more disabled veterans or, in the case of a publicly owned business, not less than 51% of the stock of which is owned by one or more disabled veterans; and (B) the management and daily business operations of which are controlled by one or more disabled veterans.

Sec. 7. K.S.A. 73-1239, as amended by section 41 of 2024 House Bill No. 2760, is hereby amended to read as follows: 73-1239. The Vietnam war era medallion, medal and a certificate shall be awarded regardless of whether or not such veteran served within the United States or in a foreign country. The medallion, medal and the certificate shall be awarded regardless of whether or not such veteran was under 18 years of age at the time of entry into active service. For purposes of this section, "veteran" means a person who served in the active military, naval, air or space service and who was discharged under ~~conditions other than dishonorable~~ an honorable discharge or a general discharge under honorable conditions. The director of the Kansas office of veterans services shall administer the program and adopt all rules and regulations necessary to administer the program. The agency shall determine as expeditiously as possible the persons who are entitled to a Vietnam war era medallion, medal and a certificate and distribute the medallions, medals and the certificates. Applications for the Vietnam war era medallion, medal and the certificate shall be filed with the director of the Kansas office of veterans services on forms prescribed and

furnished by the director of the Kansas office of veterans services. The deputy director of veteran services shall approve all applications that are in order, and shall cause a Vietnam war era medallion, medal and a certificate to be prepared for each approved veteran in the form approved by the director of the Kansas office of veterans services. The deputy director of veteran services shall review applications for the Vietnam war era medallion, medal and a certificate to ensure recipients are enrolled for eligible federal benefits.

Sec. 8. K.S.A. 2023 Supp. 75-3740, as amended by section 47 of 2024 House Bill No. 2760, is hereby amended to read as follows: 75-3740. (a) Except as provided by K.S.A. 75-3740b, and amendments thereto, and subsections (b) and (k), all contracts and purchases made by or under the supervision of the director of purchases or any state agency for which competitive bids are required shall be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids.

(b) A contract shall be awarded to a certified business or disabled veteran business which is also a responsible bidder, whose total bid cost is not more than 10% higher than the lowest competitive bid. Such contract shall contain a promise by the certified business that the percentage of employees that are individuals with disabilities will be maintained throughout the contract term and a condition that the certified business shall not subcontract for goods or services in an aggregate amount of more than 25% of the total bid cost.

(c) The director of purchases shall have power to decide as to the lowest responsible bidder for all purchases, but if:

(1) (A) A responsible bidder purchases from a qualified vendor goods or services on the list certified by the director of purchases pursuant to K.S.A. 75-3317 et seq., and amendments thereto, the dollar amount of such purchases made during the previous fiscal year shall be deducted from the original bid received from such bidder for the purpose of determining the lowest responsible bid, except that such deduction shall not exceed 10% of the original bid received from such bidder; or

(B) a responsible bidder purchases from a certified business the dollar amount of such purchases made during the previous fiscal year shall be deducted from the original bid received from such bidder for the purpose of determining the lowest responsible bid, except that such deduction shall not exceed 10% of the original bid received from such bidder;

(2) the dollar amount of the bid received from the lowest responsible bidder from within the state is identical to the dollar amount of the bid received from the lowest responsible bidder from without the state, the contract shall be awarded to the bidder from within the state; and

(3) in the case of bids for paper products specified in K.S.A. 75-3740b, and amendments thereto, the dollar amounts of the bids received from two or more lowest responsible bidders are identical, the contract shall be awarded to the bidder whose bid is for those paper products containing the highest percentage of recycled materials.

(d) (1) Any or all bids may be rejected, and a bid shall be rejected if it contains any material alteration or erasure made after the bid is opened. The director of purchases may reject the bid of any bidder who is in arrears on taxes due the state, who is not properly registered to collect and remit taxes due the state or who has failed to perform satisfactorily on a previous contract with the state. The secretary of revenue is hereby

authorized to exchange such information with the director of purchases as is necessary to effectuate the preceding sentence notwithstanding any other provision of law prohibiting disclosure of the contents of taxpayer records or information. Prior to determining the lowest responsible bidder on contracts for construction of buildings or for major repairs or improvements to buildings for state agencies, the director of purchases shall consider the:

(A) Criteria and information developed by the secretary of administration, with the advice of the state building advisory commission to rate contractors on the basis of their performance under similar contracts with the state, local governmental entities and private entities, in addition to other criteria and information available; and

(B) recommendations of the project architect, or, if there is no project architect, the recommendations of the secretary of administration or the agency architect for the project as provided in K.S.A. 75-1254, and amendments thereto.

(2) In any case where competitive bids are required and where all bids are rejected, new bids shall be called for as in the first instance, unless otherwise expressly provided by law or the state agency elects not to proceed with the procurement.

(e) Before the awarding of any contract for construction of a building or the making of repairs or improvements upon any building for a state agency, the director of purchases shall receive written approval from the state agency for which the building construction project has been approved, that the bids generally conform with the plans and specifications prepared by the project architect, by the secretary of administration or by the agency architect for the project, as the case may be, so as to avoid error and mistake on the part of the contractors. In all cases where material described in a contract can be obtained from any state institution, the director of purchases shall exclude the same from the contract.

(f) All bids with the names of the bidders and the amounts thereof, together with all documents pertaining to the award of a contract, shall be made a part of a file or record and retained by the director of purchases for five years, unless reproduced as provided in K.S.A. 75-3737, and amendments thereto, and shall be open to public inspection at all reasonable times.

(g) As used in this section:

(1) "Certified business" means any business certified as provided by subsection (1) by the department of administration that is a sole proprietorship, partnership, association or corporation domiciled in Kansas, or any corporation, even if a wholly owned subsidiary of a foreign corporation, that:

(A) Does business primarily in Kansas or substantially all of its production in Kansas;

(B) employs at least 10% of its employees who are individuals with disabilities and reside in Kansas;

(C) offers to contribute at least 75% of the premium cost for individual health insurance coverage for each employee. The department of administration shall require a certification of these facts as a condition to the certified business being awarded a contract pursuant to subsection (b); and

(D) does not employ individuals under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c);

(2) "individuals with disabilities" or "individual with a disability" means any individual who:

(A) Is certified by the Kansas department for aging and disability services or by the Kansas department for children and families which administers the rehabilitation services program as having a physical or mental impairment that constitutes a substantial barrier to employment;

(B) works a minimum number of hours per week for a certified business necessary to qualify for health insurance coverage offered pursuant to subsection (g)(1); and

(C) (i) is receiving services, has received services or is eligible to receive services under a home and community based services program, as defined by K.S.A. 39-7,100, and amendments thereto;

(ii) is employed by a charitable organization domiciled in the state of Kansas and exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, as amended; or

(iii) is an individual with a disability pursuant to the disability standards established by the social security administration as determined by the Kansas disability determination services under the Kansas department for children and families;

(3) "physical or mental impairment" means:

(A) Any physiological disorder or condition, cosmetic disfigurement or anatomical loss substantially affecting one or more of the following body systems:

(i) Neurological;

(ii) musculoskeletal;

(iii) special sense organs;

(iv) respiratory, including speech organs;

(v) cardiovascular;

(vi) reproductive;

(vii) digestive;

(viii) genitourinary;

(ix) hemic and lymphatic;

(x) skin; or

(xi) endocrine; or

(B) any mental or psychological disorder, such as intellectual disability, organic brain syndrome, mental illness and specific learning disabilities. "Physical or mental impairment" includes, but is not limited to, orthopedic, visual, language and hearing disorders, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis and intellectual disability;

(4) "project architect" means the same as defined in K.S.A. 75-1251, and amendments thereto;

(5) "disabled veteran" means a person who:

(A) Served in the active military, naval, air or space service and who was discharged or released therefrom under ~~conditions other than dishonorable~~ an honorable discharge or a general discharge under honorable conditions;

(B) received a disability that was incurred or aggravated in the line of duty in the active military, naval, air or space service; and

(C) has a service-connected evaluation percentage equal to or greater than 10% pursuant to 38 U.S.C. § 1101 et seq. or 10 U.S.C. § 1201 et seq.; and

(6) "disabled veteran business" means a business certified annually by the department of administration that is a sole proprietorship, partnership, association or corporation domiciled in Kansas, or any corporation, even if a wholly owned subsidiary

of a foreign corporation, and is verified by the Kansas office of veterans services that:

(A) Not less than 51% of such business is owned by one or more disabled veterans or, in the case of a publicly owned business, not less than 51% of the stock is owned by one or more disabled veterans;

(B) the management and daily business operations of such business are controlled by one or more disabled veterans; and

(C) such business maintains the requirements of subparagraphs (A) and (B) during the entire contract term.

(h) Any state agency authorized by the director of purchases to make purchases pursuant to K.S.A. 75-3739(e), and amendments thereto, shall consider any unsolicited proposal for goods or services under this section.

(i) The secretary of administration and the secretary for aging and disability services, jointly, shall adopt rules and regulations as necessary to effectuate the purpose of this section.

(j) At the beginning of each regular session of the legislature, the secretary of administration and the secretary for aging and disability services shall submit to the social services budget committee of the house of representatives and the appropriate subcommittee of the committee on ways and means of the senate, a written report on the number of:

(1) Certified businesses certified by the department of administration during the previous fiscal year;

(2) certified businesses awarded contracts pursuant to subsection (b) during the previous fiscal year;

(3) contracts awarded pursuant to subsection (b) (3) to each certified business during the previous fiscal year;

(4) individuals with disabilities removed from, reinstated to or not reinstated to home and community based services or other medicaid program services during the previous fiscal year as a result of employment with a certified business;

(5) individuals employed by each certified business during the previous fiscal year; and

(6) individuals with disabilities employed by each certified business during the previous fiscal year.

(k) When a state agency is receiving bids to purchase passenger motor vehicles, such agency shall follow the procedures prescribed in subsection (c)(2), except in the case where one of the responsible bidders offers motor vehicles that are assembled in Kansas. In such a case, 3% of the bid of the responsible bidder that offers motor vehicles assembled in Kansas shall be subtracted from the bid amount, and that amount shall be used to determine the lowest bid pursuant to subsection (c)(2). This subsection shall only apply to bids that match the exact motor vehicle specifications of the agency purchasing passenger motor vehicles.

(l) The secretary of administration shall certify that a business meets the requirements for a certified business as defined in subsection (g), and shall recertify such business as having met such requirements every three years thereafter.";

Also on page 41, in line 25, by striking all after "K.S.A."; by striking all in lines 26 through 42 and inserting "8-1,147, 73-230, as amended by section 25 of 2024 House Bill No. 2760, and 73-1239, as amended by section 41 of 2024 House Bill No. 2760,"; in line 43, by striking "48-2301" and inserting "8-1,141, 32-934, as amended by section

10 of 2024 House Bill No. 2760, and 75-3740, as amended by section 47 of 2024 House Bill No. 2760,";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after the semicolon; by striking all in line 2; in line 3, by striking all before the semicolon and inserting "relating to license plates; providing for the 1st infantry division and the armed services occupation medal distinctive license plates; relating to the definition of veteran and disabled veteran in certain statutes"; also in line 3, by striking all after "K.S.A."; by striking all in lines 4 through 12; in line 13, by striking "3112" and inserting "8-1,147, 73-230, as amended by section 25 of 2024 House Bill No. 2760, and 73-1239, as amended by section 41 of 2024 House Bill No. 2760,"; also in line 13, by striking "48-2301" and inserting "8-1,141, 32-934, as amended by section 10 of 2024 House Bill No. 2760, and 75-3740, as amended by section 47 of 2024 House Bill No. 2760,"; in line 14, by striking all after "sections"; by striking all in lines 15 through 22; in line 23, by striking all before the period;

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

RICK BILLINGER

JR CLAEYS

PAT PETTEY

Conferees on part of Senate

RONALD ELLIS

MICHAEL DODSON

VIRGIL WEIGEL

Conferees on part of House

Senator Billinger moved the Senate adopt the Conference Committee Report on **HB 2392**.

On roll call, the vote was: Yeas 36; Nays 0; Present and Passing 0; Absent or Not Voting 4.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, O'Shea, Peck, Petersen, Pettey, Pittman, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Absent or Not Voting: Holscher, Longbine, Olson, Pyle.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2530** 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 33;

On page 2, by striking all in lines 1 through 33; following line 33, by inserting:

"Section 1. K.S.A. 2023 Supp. 32-805 is hereby amended to read as follows: 32-805. (a) (1) There is hereby created within and as a part of the department the Kansas

wildlife and parks commission, and such commission shall be composed of seven members ~~who are residents of the state of Kansas. The governor shall appoint residents of this state to be members of the commission. One member of the commission shall be chosen from each fish and wildlife administration region as established by the department. In the appointment of members of the commission, the governor~~

(2) Such members shall be appointed as follows:

(A) One at-large member appointed by the governor;

(B) one member appointed by the governor who represents fish and wildlife administration region one;

(C) one member appointed by the governor who represents fish and wildlife administration region two;

(D) one member appointed by the governor who represents fish and wildlife administration region five;

(E) one member appointed by the speaker of the house of representatives who represents fish and wildlife administration region four;

(F) one member appointed by the president of the senate who represents fish and wildlife administration region three; and

(G) one at-large member appointed by the attorney general.

(3) The members appointed by the speaker of the house of representatives, the president of the senate and the attorney general shall serve an initial term of two years and, thereafter, shall be appointed to a term of four years.

(4) The appointing authorities for the members of the commission shall give consideration to the appointment of licensed hunters, fishermen and furharvesters, park users and to nonconsumptive users of wildlife and park resources. ~~No~~ In no case shall any respective appointing authority appoint a controlled shooting area licensee or any employee of such licensee or any person who provides hunting outfitting services or hunting guide services. Not more than a majority of the members shall be of the same political party. Except as otherwise provided, each member of the commission shall hold office for a term of four years and until a successor is appointed and qualified. ~~The governor~~ Each respective appointing authority shall fill any vacancy on the commission prior to the expiration of a term by appointment for the unexpired term. On July 1, 2024, each appointing authority may appoint a new member to replace the current incumbent holding such incumbent's seat. Otherwise, such incumbent may serve for the remainder of such incumbent's term.

(b) Each member of the commission shall take and subscribe an oath or affirmation as required by law before taking office.

(c) ~~The governor~~Each respective appointing authority may remove a commissioner after opportunity for a hearing in accordance with the provisions of the Kansas administrative procedure act. If the commissioner is removed, ~~the governor~~ respective appointing authority shall file in the office of the secretary of state a complete statement of all charges made against such commissioner and ~~the governor's~~ respective appointing authority's findings thereon, together with a complete record of the proceedings.

(d) The commission shall have such powers, duties and functions as prescribed by law and shall preserve the rights guaranteed by section 21 of the bill of rights of the constitution of the state of Kansas. Other than rules and regulations pertaining to personnel matters of the department, the secretary shall submit to the commission all proposed rules and regulations. The commission shall either approve, modify and

approve, or reject such proposed rules and regulations. The secretary shall adopt such rules and regulations so approved or so modified and approved. Fees established for licenses, permits, stamps and other issues of the department shall be subject to the approval of the commission. It also shall be the duty of the commission to serve in an advisory capacity to the governor and the secretary in the formulation of policies and plans relating to the department.

(e) ~~The governor members of the commission shall designate elect~~ one commission member to serve as chairperson of the commission for a term not to exceed two years and until a successor has been elected. In the event of a vacancy in the position of chairperson, the members shall elect a successor for the remainder of the chairperson's term. Upon the expiration of the chairperson's two-year term, during the commission's first meeting of the calendar year, the members shall elect a new chairperson. Members of the commission attending meetings of the commission, or attending a subcommittee meeting thereof authorized by the commission, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto. A majority of the members of the commission shall constitute a quorum for the transaction of business. Meetings may be called by the chairperson and shall be called on the request of a majority of the members of the commission.";

Also on page 2, in line 34, by striking "40-2,125" and inserting "32-805";

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking "person" and inserting "wildlife and parks; relating to the wildlife and parks commission; granting appointing authority to multiple state officers; providing for the election of the chairperson thereof"; also in line 3, by striking "40-2,125" and inserting "32-805";

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

VIRGIL PECK
MICHAEL FAGG
MARY WARE

Conferees on part of Senate

WILL CARPENTER
TOM KESSLER
JOELLA HOYE

Conferees on part of House

Senator Peck moved the Senate adopt the Conference Committee Report on **HB 2530**.

A motion to not adopt the Conference Committee Report and appoint a new conference failed.

On roll call, the vote was: Yeas 21; Nays 18; Present and Passing 0; Absent or Not Voting 1.

Yeas: Alley, Baumgardner, Billinger, Claeys, Erickson, Fagg, Gossage, Kloos, Masterson, Peck, Pittman, Pyle, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Warren, Wilborn.

Nays: Blasi, Bowers, Corson, Dietrich, Doll, Faust-Goudeau, Francisco, Haley, Holland, Holscher, Kerschen, McGinn, O'Shea, Olson, Petersen, Pettey, Reddi, Ware.

Absent or Not Voting: Longbine.

The Conference Committee Report was adopted.

EXPLANATION OF VOTE

I vote "NO" on **HB 2530** because my constituents have great concern with the actions of the Kansas Wildlife and Parks Commission. When **SB 347** left the Senate it had strong checks and balance on the Commission. It has now come back from conference committee watered down and removes the check on the Executive branch. This bill does not solve the problem, it only further allows it to continue.—CHASE BLASI

Senator Petersen requests the record to show he concurs with the "Explanation of Vote" offered by Senator Blasi on **HB 2530**.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2531** 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 6 through 35;

On page 2, by striking all in lines 1 through 30; following line 30 by inserting:

"Section 1. (a) There is hereby established the Kansas purple alert plan to provide public notice of a missing individual with intellectual or developmental disabilities. The Kansas purple alert plan shall be established and implemented by the office of the attorney general, in collaboration with the Kansas bureau of investigation, Kansas highway patrol, local law enforcement agencies and other public and private agencies and organizations.

(b) Under the Kansas purple alert plan, public notice of a missing individual may promptly be broadcast and a search may be timely undertaken with the cooperation of local law enforcement, news media and the general public in order to locate such individual in time to avoid serious harm or death if such individual:

(1) Is 18 years of age or older;

(2) has been diagnosed with an intellectual disability;

(3) whose whereabouts are unknown;

(4) is believed to be in imminent danger of serious bodily injury or death because of such disability; and

(5) is believed to be unable to return to safety without assistance.";

Also on page 2, in line 32, by striking "Kansas register" and inserting "statute book";

On page 1, in the title, in line 1, by striking all after "ACT"; by striking all in line 2; in line 3, by striking all before the period and inserting "establishing the Kansas purple alert plan; relating to public notice of missing persons 18 years of age or older who have been diagnosed with an intellectual disability and are in certain dangerous circumstances";

BEVERLY GOSSAGE

RENEE ERICKSON

PAT PETTEY

Conferees on part of Senate

BRENDA LANDWEHR

JOHN EPLEE

SUSAN RUIZ

Conferees on part of House

Senator Gossage moved the Senate adopt the Conference Committee Report on **HB 2531**.

On roll call, the vote was: Yeas 36; Nays 0; Present and Passing 0; Absent or Not Voting 4.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, O'Shea, Peck, Petersen, Pettey, Pittman, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Absent or Not Voting: Holscher, Longbine, Olson, Pyle.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2551** 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, in line 7, by striking all after "Section 1."; by striking all in lines 8 and 9; in line 10, by striking all before the period and inserting "(a) For the fiscal years ending June 30, 2024, June 30, 2025, June 30, 2026, June 30, 2027, and June 30, 2028, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, capital improvement projects, fees, receipts, disbursements, procedures and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

(b) The agencies named in this act are hereby authorized to initiate and complete the capital improvement projects specified and authorized by this act or for which appropriations are made by this act, subject to the restrictions and limitations imposed by this act.

(c) This act shall be known and may be cited as the omnibus appropriation act of 2024 and shall constitute the omnibus reconciliation spending limit bill for the 2024 regular session of the legislature for purposes of K.S.A. 75-6702(a), and amendments thereto.

(d) The appropriations made by this act shall not be subject to the provisions of K.S.A. 46-155, and amendments thereto";

On page 3, in line 21, by striking "this act" and inserting "sections 2 through 5, and amendments thereto"; in line 23, by striking "this act" and inserting "sections 2 through 5, and amendments thereto"; in line 30, by striking "this act" and inserting "sections 2 through 5, and amendments thereto"; following line 33, by inserting:

"Sec. 7.

BOARD OF NURSING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2024, by section 23(a) of chapter 82 and section 65 of chapter 97 of the 2023 Session Laws of Kansas and section 14(a) of 2024 Senate Bill

No. 28 on the board of nursing fee fund (482-00-2716-0200) of the board of nursing is hereby increased from \$3,722,944 to \$3,752,944.

Sec. 8.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Legislative coordinating council operations (422-00-1000-0100).....\$250,000

Provided, That in addition to the other purposes for which expenditures may be made from such account for fiscal year 2024 as authorized by section 33(a) of chapter 82 of the 2023 Session Laws of Kansas, section 23(a) of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made from such account by the above agency to issue a request for proposal by June 1, 2024, for a constituent relationship management software service to be used by all statewide elected officials to assist in decreasing response time for both staff and constituents, to encrypt data in transit to ensure constituent privacy, track casework through completion and include integrations with existing systems: *Provided further*; That such request for proposal shall be issued in conjunction with the request for proposal authorized by section 25(a) of 2024 Senate Bill No. 28: *And provided further*; That such request for proposal and subsequent contract shall be issued by and managed by the legislative coordinating council: *And provided further*; That the legislative coordinating council shall ensure that all statewide elected officials shall have use of such constituent relationship management software service: *Provided, however*; That the total expenditure for such service shall not exceed \$1,000,000.

Sec. 9.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Legislative coordinating council operations (422-00-1000-0100).....\$750,000

Provided, That in addition to the other purposes for which expenditures may be made from such account for fiscal year 2025 as authorized by section 24(a) of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made from such account for the legislative coordinating council, in consultation with all statewide elected officials, to review all proposals for a constituent relationship management software service submitted pursuant to the provisions of section 8: *Provided further*; That the request for proposal issued pursuant to the provisions of section 8 shall close on July 31, 2024: *And provided further*; That the legislative coordinating council shall approve or reject a contract for such services, on or before August 31, 2024, with the expectation that the service, if approved, shall be implemented on or before December 1, 2024, for use by statewide elected officials: *Provided, however*; That the total expenditure for such constituent relationship management software service shall not exceed \$1,000,000.

Sec. 10.

LEGISLATURE

(a) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or any special revenue fund or funds for fiscal year 2025, as authorized by section 26 of Senate Bill No. 28, this or any other appropriation act of the

2024 regular session of the legislature, expenditures shall be made from such moneys to create an interim study committee to review a market rate study on employees of the state board of regents' universities and Washburn university: *Provided*, That such interim study committee shall also review the comprehensive studies conducted pursuant to section 145(k) of 2024 Senate Bill No. 28.

Sec. 11.

GOVERNOR'S DEPARTMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Domestic violence prevention grants (252-00-1000-0600).....\$3,000,000

Sec. 12.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Operating expenditures (082-00-1000-0103).....\$554,442

Office of inspector general (082-00-1000-0300).....\$350,000

(b) During the fiscal year ending June 30, 2025, notwithstanding the provisions of section 32(g) of 2024 Senate Bill No. 28, no expenditures shall be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2025 by section 32 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature to implement or enforce the provisions of section 32(g) of 2024 Senate Bill No. 28 until the attorney general certifies to the legislature that the supreme court of the United States has issued a final order or opinion for all litigation concerning the obligations manufacturers participating in the 340B drug pricing program, 42 U.S.C. § 256b, have under state and federal law with respect to the use of contract pharmacies by the entities described in 42 U.S.C. § 256b(a)(4).

Sec. 13.

ATTORNEY GENERAL

(a) During the fiscal year ending June 30, 2026, notwithstanding the provisions of section 33 of 2024 Senate Bill No. 28, no expenditures shall be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2026 by section 33 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 or 2025 regular session of the legislature to implement or enforce the provisions of section 33 of 2024 Senate Bill No. 28 until the attorney general certifies to the legislature that the supreme court of the United States has issued a final order or opinion for all litigation concerning the obligations manufacturers participating in the 340B drug pricing program, 42 U.S.C. § 256b, have under state and federal law with respect to the use of contract pharmacies by the entities described in 42 U.S.C. § 256b(a)(4).

Sec. 14.

SECRETARY OF STATE

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, 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:

Professional employer organization fee fund.....No limit

Sec. 15.

STATE TREASURER

(a) On July 1, 2024, notwithstanding any provision of section 12(a) of chapter 97 of the 2023 Session Laws of Kansas to the contrary, during fiscal year 2025, expenditures may be made from or obligation incurred against the build Kansas matching grant fund to award matching grant funds to local communities that qualify as eligible entities for any federal grant program moneys related to water, transportation, energy, cybersecurity or broadband infrastructure requiring state or local community matching funds: *Provided*, That a grant funding application requested by eligible entities from the build Kansas matching grant fund shall be submitted to the Kansas infrastructure hub prior to submission to the build Kansas advisory committee: *Provided further*, That as soon as practicable, the build Kansas advisory committee shall meet and review each request and shall report such committee's advice to the state treasurer and the eligible entity submitting the grant application: *And provided further*, That the provisions of section 12(a) of chapter 97 of the 2023 Session Laws of Kansas requiring written documentation to the state treasurer that such eligible entity's grant funding application has been approved by the federal government pursuant to the infrastructure investment and jobs act shall apply to the grants authorized by this subsection for any other federal infrastructure grants awarded that are related to water, transportation, energy, cybersecurity or broadband infrastructure: *And provided further*, That, after the eligible entity submits such application to the Kansas infrastructure hub, advises and consults with the build Kansas advisory committee and receives notification of federal approval, the state treasurer shall expend matching grant funds to the eligible entity that has been awarded such grant subject to the provisions of the grant: *And provided further*, That, if during fiscal year 2025, the build Kansas advisory committee determines that the unencumbered balance in the build Kansas matching grant fund is insufficient to finance grant applications approved pursuant to the provisions of section 12(a) of chapter 97 of the 2023 Session Laws of Kansas and finance grants awarded to an eligible entity's infrastructure project funded pursuant to this subsection, the provisions of section 12(a) of chapter 97 of the 2023 Session Laws of Kansas concerning requesting approval from the state finance council for a transfer of funding shall apply: *And provided further*, That the geographical distribution based on the department of commerce's Kansas economic development districts provisions of section 12(a) of chapter 97 of the 2023 Session Laws of Kansas shall apply to the grants authorized by this subsection.

Sec. 16.

STATE TREASURER

(a) On July 1, 2025, notwithstanding any provision of section 13(a) of chapter 97 of the 2023 Session Laws of Kansas to the contrary, during fiscal year 2026, expenditures may be made from or obligation incurred against the build Kansas matching grant fund to award matching grant funds to local communities that qualify as eligible entities for any federal grant program moneys related to water, transportation, energy, cybersecurity or broadband infrastructure requiring state or local community matching funds: *Provided*, That a grant funding application requested by eligible entities from the build Kansas matching grant fund shall be submitted to the Kansas infrastructure hub prior to submission to the build Kansas advisory committee: *Provided further*, That as soon as practicable, the build Kansas advisory committee shall meet and review each request

and shall report such committee's advice to the state treasurer and the eligible entity submitting the grant application: *And provided further*; That the provisions of section 13(a) of chapter 97 of the 2023 Session Laws of Kansas requiring written documentation to the state treasurer that such eligible entity's grant funding application has been approved by the federal government pursuant to the infrastructure investment and jobs act shall apply to the grants authorized by this subsection for any other federal infrastructure grants awarded that are related to water, transportation, energy, cybersecurity or broadband infrastructure: *And provided further*; That, after the eligible entity submits such application to the Kansas infrastructure hub, advises and consults with the build Kansas advisory committee and receives notification of federal approval, the state treasurer shall expend matching grant funds to the eligible entity that has been awarded such grant subject to the provisions of the grant: *And provided further*; That, if during fiscal year 2026, the build Kansas advisory committee determines that the unencumbered balance in the build Kansas matching grant fund is insufficient to finance grant applications approved pursuant to the provisions of section 13(a) of chapter 97 of the 2023 Session Laws of Kansas and finance grants awarded to an eligible entity's infrastructure project funded pursuant to this subsection, the provisions of section 13(a) of chapter 97 of the 2023 Session Laws of Kansas concerning requesting approval from the state finance council for a transfer of funding shall apply: *And provided further*; That the geographical distribution based on the department of commerce's Kansas economic development districts provisions of section 13(a) of chapter 97 of the 2023 Session Laws of Kansas shall apply to the grants authorized by this subsection.

Sec. 17.

STATE TREASURER

(a) On July 1, 2026, notwithstanding any provision of section 14(a) of chapter 97 of the 2023 Session Laws of Kansas to the contrary, during fiscal year 2027, expenditures may be made from or obligation incurred against the build Kansas matching grant fund to award matching grant funds to local communities that qualify as eligible entities for any federal grant program moneys related to water, transportation, energy, cybersecurity or broadband infrastructure requiring state or local community matching funds: *Provided*, That a grant funding application requested by eligible entities from the build Kansas matching grant fund shall be submitted to the Kansas infrastructure hub prior to submission to the build Kansas advisory committee: *Provided further*; That as soon as practicable, the build Kansas advisory committee shall meet and review each request and shall report such committee's advice to the state treasurer and the eligible entity submitting the grant application: *And provided further*; That the provisions of section 14(a) of chapter 97 of the 2023 Session Laws of Kansas requiring written documentation to the state treasurer that such eligible entity's grant funding application has been approved by the federal government pursuant to the infrastructure investment and jobs act shall apply to the grants authorized by this subsection for any other federal infrastructure grants awarded that are related to water, transportation, energy, cybersecurity or broadband infrastructure: *And provided further*; That, after the eligible entity submits such application to the Kansas infrastructure hub, advises and consults with the build Kansas advisory committee and receives notification of federal approval, the state treasurer shall expend matching grant funds to the eligible entity that has been awarded such grant subject to the provisions of the grant: *And provided further*; That, if

during fiscal year 2027, the build Kansas advisory committee determines that the unencumbered balance in the build Kansas matching grant fund is insufficient to finance grant applications approved pursuant to the provisions of section 14(a) of chapter 97 of the 2023 Session Laws of Kansas and finance grants awarded to an eligible entity's infrastructure project funded pursuant to this subsection, the provisions of section 14(a) of chapter 97 of the 2023 Session Laws of Kansas concerning requesting approval from the state finance council for a transfer of funding shall apply: *And provided further*, That the geographical distribution based on the department of commerce's Kansas economic development districts provisions of section 14(a) of chapter 97 of the 2023 Session Laws of Kansas shall apply to the grants authorized by this subsection.

Sec. 18.

STATE TREASURER

(a) On July 1, 2027, notwithstanding any provision of section 15(a) of chapter 97 of the 2023 Session Laws of Kansas to the contrary, during fiscal year 2028, expenditures may be made from or obligation incurred against the build Kansas matching grant fund to award matching grant funds to local communities that qualify as eligible entities for any federal grant program moneys related to water, transportation, energy, cybersecurity or broadband infrastructure requiring state or local community matching funds: *Provided*, That a grant funding application requested by eligible entities from the build Kansas matching grant fund shall be submitted to the Kansas infrastructure hub prior to submission to the build Kansas advisory committee: *Provided further*, That as soon as practicable, the build Kansas advisory committee shall meet and review each request and shall report such committee's advice to the state treasurer and the eligible entity submitting the grant application: *And provided further*, That the provisions of section 15(a) of chapter 97 of the 2023 Session Laws of Kansas requiring written documentation to the state treasurer that such eligible entity's grant funding application has been approved by the federal government pursuant to the infrastructure investment and jobs act shall apply to the grants authorized by this subsection for any other federal infrastructure grants awarded that are related to water, transportation, energy, cybersecurity or broadband infrastructure: *And provided further*, That, after the eligible entity submits such application to the Kansas infrastructure hub, advises and consults with the build Kansas advisory committee and receives notification of federal approval, the state treasurer shall expend matching grant funds to the eligible entity that has been awarded such grant subject to the provisions of the grant: *And provided further*, That, if during fiscal year 2028, the build Kansas advisory committee determines that the unencumbered balance in the build Kansas matching grant fund is insufficient to finance grant applications approved pursuant to the provisions of section 15(a) of chapter 97 of the 2023 Session Laws of Kansas and finance grants awarded to an eligible entity's infrastructure project funded pursuant to this subsection, the provisions of section 15(a) of chapter 97 of the 2023 Session Laws of Kansas concerning requesting approval from the state finance council for a transfer of funding shall apply: *And provided further*, That the geographical distribution based on the department of commerce's Kansas economic development districts provisions of section 15(a) of chapter 97 of the 2023 Session Laws of Kansas shall apply to the grants authorized by this subsection.

Sec. 19.

HEALTH CARE STABILIZATION FUND BOARD OF GOVERNORS

(a) Notwithstanding the provisions of K.S.A. 40-3401, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds of the above agency for fiscal year 2025 as authorized by section 41 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys for fiscal year 2025 to deem a maternity center as a "healthcare provider" for the purposes of the healthcare provider insurance availability act, K.S.A. 40-3401 et seq., and amendments thereto, if such maternity center: (1) Has been granted accreditation by the commission for accreditation of birth centers; or (2) is a maternity center as defined in K.S.A. 65-503, and amendments thereto.

Sec. 20.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Judiciary operations (677-00-1000-0103).....\$1,016,431

Sec. 21.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Judiciary operations (677-00-1000-0103).....\$6,823,960

Sec. 22.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) On July 1, 2024, the amount of \$56,748,405 authorized by section 50(c) of 2024 Senate Bill No. 28 to be transferred by the director of accounts and reports from the Kansas endowment for youth fund to the children's initiatives fund is hereby increased to \$61,748,405: *Provided, however*; That if 2024 Senate Bill No. 387 or other legislation that appropriates \$5,000,000 for the department of education from the children's initiatives fund for the fiscal year ending June 30, 2025, for a children's cabinet public-private partnership pilot program is not passed by the legislature during the 2024 regular session and enacted into law, then: (1) The director of accounts and reports shall not increase the transfer to \$61,748,405; and (2) on July 1, 2024, the provisions of this subsection are hereby declared to be null and void and shall have no force and effect.

Sec. 23.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, for the capital improvement project or projects specified, the following:

Debt service refunding – 2016H (173-00-1000-0464).....\$19,985,062

Provided, That during the fiscal year ending June 30, 2024, expenditures shall be made from the debt service refunding – 2016H account by the above agency, in consultation with the Kansas development finance authority, solely for the purpose of paying the costs, including transaction costs, of prepaying, redeeming, defeasing or purchasing, on the open market or through a tender offer or other transaction, all of the outstanding maturities of the Kansas development finance authority refunding revenue bonds (state of Kansas projects), series 2016H: *Provided further*; That all such

transactions shall be on the terms of and pursuant to all necessary and appropriate agreements by, between or among the above agency, the Kansas development finance authority and such other agencies or parties as deemed necessary by the above agency or the Kansas development finance authority to complete such transactions: *And provided further*; That any 2016H bonds that are purchased on the open market or through a tender offer or other transaction shall promptly be retired: *And provided further*; That the director of the budget, in consultation with the Kansas development finance authority, shall determine any amount required to be paid for arbitrage rebate and yield restriction liability related to such transaction on all of the outstanding maturities of the Kansas development finance authority refunding revenue bonds (state of Kansas projects), series 2016H: *And provided further*; That the director of the budget shall certify the amount of such arbitrage rebate and yield restriction liability to the director of accounts and reports and upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall immediately transfer such certified amount from the state general fund to the 2016H state of Kansas projects rebate account (176-7261- 7259) of the Kansas development finance authority: *And provided further*; That at the same time as the director of the budget transmits certification to the director of accounts and reports, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Debt service refunding – 2020S (173-00-1000-8564).....\$4,673,600

Provided, That during the fiscal year ending June 30, 2024, expenditures shall be made from the debt service refunding – 2020S account by the above agency, in consultation with the Kansas development finance authority, solely for the purpose of paying the costs, including transaction costs, of prepaying, redeeming, defeasing or purchasing, on the open market or through a tender offer or other transaction, all of the outstanding maturities of the Kansas development finance authority taxable refunding revenue bonds (state of Kansas projects), series 2020S: *Provided further*; That all such transactions shall be on the terms of and pursuant to all necessary and appropriate agreements by, between or among the above agency, the Kansas development finance authority and such other agencies or parties as deemed necessary by the above agency or the Kansas development finance authority to complete such transactions: *And provided further*; That any 2020S bonds that are purchased on the open market or through a tender offer or other transaction shall promptly be retired: *Provided, however*; That no expenditures shall be made from this account for the debt service refunding transaction of series 2020S bonds until such transaction is approved by the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto, except that such approval also may be given while the legislature is in session.

(b) On the effective date of this act, the \$19,985,062 appropriated for the above agency for the fiscal year ending June 30, 2024, by section 152(a) of 2024 Senate Bill No. 28 from the state general fund in the debt service refunding – 2016H account (173-00-1000-0464), is hereby lapsed: *Provided*, That on the effective date of this act, the provisions of the proviso under section 152(a) of 2024 Senate Bill No. 28 for the debt service refunding – 2016H account (173-00-1000-0464) of the state general fund are hereby declared to be null and void and shall have no force and effect.

(c) On the effective date of this act, the \$4,673,600 appropriated for the above

agency for the fiscal year ending June 30, 2024, by section 152(a) of 2024 Senate Bill No. 28 from the state general fund in the debt service refunding – 2020S account (173-00-1000-8564), is hereby lapsed: *Provided*, That on the effective date of this act, the provisions of the proviso under section 152(a) of 2024 Senate Bill No. 28 for the debt service refunding – 2020S account (173-00-1000-8564) of the state general fund are hereby declared to be null and void and shall have no force and effect.

(d) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, for the capital improvement project or projects specified, the following:

Debt service refunding – 2016H (173-00-1000-0464).....\$6,293,376

Provided, That any unencumbered balance in the debt service refunding – 2016H account in excess of \$100 as of June 30, 2024, is hereby reappropriated for fiscal year 2025: *Provided further*, That during fiscal year 2025, the provisions of the provisos in subsection (a) concerning any reappropriated balance shall apply to the expenditure of such reappropriated balance from such account.

Any unencumbered balance in the debt service refunding – 2020S account in excess of \$100 as of June 30, 2024, is hereby reappropriated for fiscal year 2025: *Provided further*, That during fiscal year 2025, the provisions of the provisos in subsection (a) concerning any reappropriated balance shall apply to any expenditure of such reappropriated balance from such account.

(e) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, 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:

Emil Joseph Kapaun memorial fund.....No limit

(f) On July 1, 2024, the provisions of the proviso under section 153(a) of 2024 Senate Bill No. 28 for the debt service refunding – 2020S account (173-00-1000-8564) of the state general fund are hereby declared to be null and void and shall have no force and effect.

(g) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2025 by section 56 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys for the purpose of preparing a report pertaining to the affordability of the state employee health plan member's share of costs for diagnostic and supplemental breast examinations for the members: *Provided*, That the above agency shall include in the report information about the number of members of the state employee health plan who have received a screening mammogram during fiscal year 2022, fiscal year 2023, and fiscal year 2024, and of those members, the number who: (1) Received a recommendation for further diagnostic or supplemental breast examination; (2) received such additional breast examination services; and (3) did not receive such additional breast examination services because the member could not afford the member's share of costs: *Provided further*, That the above agency shall include in the report an analysis of whether the current array of coverage options for members, including tax-advantaged accounts and voluntary benefits, are adequate to provide affordable access to diagnostic and supplemental breast examinations for members: *And provided further*, That the

above agency shall submit the report to the president of the senate and the speaker of the house of representatives on or before March 1, 2025: *And provided further*, That prior to submission, the report shall be approved by a majority of the members of the Kansas state employees health care commission and may include any written response from any member of the commission that voted against approving the report.

Sec. 24.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Kansas information security office (335-00-1000-0060).....\$375,000

Sec. 25.

STATE BOARD OF TAX APPEALS

(a) On the effective date of this act, of the \$255,007 appropriated for the above agency for the fiscal year ending June 30, 2024, by section 59(a) of 2024 Senate Bill No. 28 from the state general fund in the operating expenditures account (562-00-1000-0103), the sum of \$250,000 is hereby lapsed.

Sec. 26.

STATE BOARD OF TAX APPEALS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Operating expenditures (562-00-1000-0103).....\$118,837

Sec. 27.

KANSAS LOTTERY

(a) On the effective date of this act, the aggregate of the amounts authorized by section 63(a) of 2024 Senate Bill No. 28 to be transferred from the lottery operating fund (450-00-5123-5100) to the state gaming revenues fund (173-00-9011-9100) during the fiscal year ending June 30, 2024, is hereby increased from \$72,490,000 to \$75,490,000.

Sec. 28.

KANSAS LOTTERY

(a) For the fiscal years ending June 30, 2025, and June 30, 2026, the director of the budget, in consultation with the director of legislative research, shall certify, by June 25 of each such fiscal year, the aggregate of all amounts certified by the executive director of the Kansas lottery that have been transferred from the lottery operating fund (450-00-5123-5100) to the state gaming revenues fund (173-00-9011-9100) that is in excess of, or is less than, \$71,490,000 and shall transmit such certification to the director of accounts and reports: *Provided, however*, That for each such fiscal year, the amount certified shall not include sports wagering revenues deposited in the lottery operating fund: *Provided further*, That, notwithstanding the provisions of K.S.A. 74-8711, and amendments thereto, or any other statute, upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer the amount of excess revenues certified by the director of the budget for each such fiscal year from the state gaming revenues fund to the attracting professional sports to Kansas fund (300-00-2942) of the department of commerce: *And provided, however*, That if the amount certified by the director of the budget for each such fiscal year is less than \$71,490,000, then no transfer to the attracting professional sports to Kansas fund shall be made.

Sec. 29.

KANSAS RACING AND GAMING COMMISSION

(a) During the fiscal years ending June 30, 2025, and June 30, 2026, notwithstanding the provisions of K.S.A. 74-8823, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2025 and 2026, as authorized by section 66 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 or 2025 regular session of the legislature, expenditures shall be made from such moneys during fiscal year 2025 and fiscal year 2026 by the above agency to use the amounts of moneys remitted pursuant to the provisions of K.S.A. 74-8823(a)(5), and amendments thereto, and credited to the state racing fund (553-00-5131-5000) to cover the costs of the above agency to enforce and oversee the operation of historical horse race machines: *Provided*, That when the above agency, in consultation with the director of the budget, determines that the amount of such remittances has covered such costs, the director of the budget shall certify such information to the director of accounts and reports: *Provided further*, That of the remaining moneys remitted pursuant to the provisions of K.S.A. 74-8823(a)(5), and amendments thereto, the director of accounts and reports shall credit $\frac{1}{3}$ of the amount of such moneys to the Kansas horse breeding development fund (553-00-2516-2300) and $\frac{2}{3}$ of the amount of such moneys to the horse fair racing benefit fund (553-00-2296-3000): *And provided further*, That at the same time as the director of the budget transmits certification to the director of accounts and reports, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Sec. 30.

DEPARTMENT OF COMMERCE

(a) On the effective date of this act, of the \$6,250,000 appropriated for the above agency for the fiscal year ending June 30, 2024, by section 77(a) of chapter 82 of the 2023 Session Laws of Kansas from the state general fund in the APEX account (300-00-1000), the sum of \$6,250,000 is hereby lapsed.

(b) On the effective date of this act, the director of accounts and reports shall transfer \$2,950,000 from the American rescue plan state relief – federal fund (300-00-3756) of the department of commerce to the state general fund.

Sec. 31.

DEPARTMENT OF COMMERCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Eisenhower foundation educational facility.....\$5,000,000

Provided, That expenditures shall be made from such account to construct a new facility on the campus of the Eisenhower presidential library to expand K-12 educational programming on-site: *Provided further*, That all expenditures from such account shall require a match of nonstate or private moneys on the basis of \$2 of nonstate or private moneys to \$1 of state moneys: *And provided further*, That for the fiscal year ending June 30, 2025, the director of the budget shall determine, in consultation with the above agency, the amount of moneys from any federal law that appropriates moneys to the state for aid for coronavirus relief that are eligible to be used for the educational facility, may be expended at the discretion of the state in compliance

with the office of management and budget's uniform administrative requirements, cost principles and audit requirements for federal awards, and are unencumbered: *Provided further*; That, of such identified moneys, the director of the budget shall determine the remaining moneys available in special revenue funds: *And provided further*; That if the above agency, in consultation with the director of the budget, determines that federal moneys to the state for aid for coronavirus relief are available during fiscal year 2025 to be used for such educational facility, the director of the budget shall certify the amount of such federal coronavirus relief moneys from each fund to the director of accounts and reports, and upon receipt of each such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall immediately transfer an aggregate amount of up to \$5,000,000 as available from such funds to the special revenue fund of the above agency and as designated by the secretary of commerce for the purpose of funding such educational facility: *And provided further*; That on the effective date of such transfer, of the \$5,000,000 appropriated for the above agency for the fiscal year ending June 30, 2025, by this section from the state general fund in the Eisenhower foundation educational facility account, the aggregate amount transferred is hereby lapsed: *And provided further*; That at the same time as the director of the budget transmits certification to the director of accounts and reports, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Sports hall of fame support.....\$200,000

Provided, That the department of commerce and the Kansas sports hall of fame shall submit a progress report to the senate committee on ways and means and the house of representatives committee on appropriations on or before January 31, 2025.

(b) On July 1, 2024, the director of accounts and reports shall transfer \$5,000,000 from the state general fund to the attracting powerful economic expansion payroll incentive fund (300-00-2943) established by K.S.A. 2023 Supp. 74-50,316, and amendments thereto.

(c) On July 1, 2024, the director of accounts and reports shall transfer \$7,000,000 from the state general fund to the attracting powerful economic expansion new employee training and education fund (300-00-2944) established by K.S.A. 2023 Supp. 74-50,318, and amendments thereto.

(d) On July 1, 2024, the director of accounts and reports shall transfer \$1,200,000 from the state general fund to the attracting powerful economic expansion residency incentive fund (300-00-2945) established by K.S.A. 2023 Supp. 74-50,323, and amendments thereto.

(e) On July 1, 2024, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2023 Supp. 74-8793, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$2,000,000 from the attracting professional sports to Kansas fund (300-00-2942) of the department of commerce to the existing horse racing facility remodel fund of the department of commerce.

(f) On July 1, 2024, the provisions of section 68(l) of 2024 Senate Bill No. 28 are hereby declared to be null and void and shall have no force and effect and the sports hall of fame support fund is hereby abolished.

Sec. 32.

DEPARTMENT OF COMMERCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2026, the following:

Sports hall of fame support.....\$200,000

(b) On July 1, 2025, the provisions of section 69(b) of 2024 Senate Bill No. 28 are hereby declared to be null and void and shall have no force and effect.

Sec. 33.

DEPARTMENT OF LABOR

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, 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:

Kansas sheltered workshop transition fund.....No limit

Sec. 34.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Operating expenditures (including official hospitality) – health (264-00-1000-0270).....\$10,000

Provided, however, That if 2024 House Bill No. 2749 is not passed by the legislature during the 2024 regular session and enacted into law, then on the effective date of this act, the \$10,000 appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, by this section in the operating expenditures (including official hospitality) – health account, is hereby lapsed.

Adult inpatient behavioral health services.....\$5,000,000

Provided, That expenditures shall be made from the adult inpatient behavioral health services account in the amount of \$5,000,000 for providing adult and adolescent inpatient behavioral and mental health services at ascension Via Christi St. Joseph campus and NMC health and such expenditures shall be distributed based on the number of behavioral and mental health beds available at each facility.

HIV testing (264-00-1000).....\$121,500

Sec. 35.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

HIV testing (264-00-1000).....\$48,600

Any unencumbered balance in the following accounts in excess of \$100 as of June 30, 2024, is hereby reappropriated for fiscal year 2025: (1) Immunization programs (264-00-1000-1400); and (2) adult inpatient behavioral health services account:

Provided, That during fiscal year 2025, the provisions of the provisos in section 34(a) shall apply to any expenditure from the adult inpatient behavioral health services account of the state general fund.

(b) On July 1, 2024, the expenditure limitation established for the fiscal year ending June 30, 2025, by section 77(a) of 2024 Senate Bill No. 28 on the aid to local units – primary health projects account (264-00-1000-0460) for distribution for community-based primary care grants and services provided by the community care network of Kansas is hereby decreased from \$20,750,690 to \$18,750,690.

Sec. 36.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF HEALTH CARE FINANCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Other medical assistance (264-00-1000-3026).....\$10,500,000
Sec. 37.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF HEALTH CARE FINANCE

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Other medical assistance (264-00-1000-3026).....\$29,381,327
Provided, That expenditures shall be made from the other medical assistance account during fiscal year 2025 to provide coverage for dental exams, x-rays and cleanings.
Sec. 38.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Small town infrastructure (264-00-1000).....\$6,000,000
Provided, That expenditures shall be made by the above agency from the small town infrastructure account in the amount of \$1,233,100 for the purpose of providing grants specific to wastewater treatment systems: *Provided further*; That expenditures shall be made by the above agency from the small town infrastructure account in the amount of \$4,766,900 for the purpose of providing grants specific to drinking water systems.
Sec. 39.

KANSAS DEPARTMENT FOR
AGING AND DISABILITY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

KanCare caseloads (039-00-1000-0610).....\$4,000,000
Non-KanCare caseloads (039-00-1000-0611).....\$190,000
Behavioral health services (039-00-1000-3004).....\$47,000
Provided, That expenditures shall be made by such agency from such account in an amount of \$47,000 for drug abuse and addiction prevention services for youth at the Kansas City full circle program, inc.
Sec. 40.

KANSAS DEPARTMENT FOR
AGING AND DISABILITY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

State operations (039-00-1000-0801).....\$196,800
Provided, however; That if 2024 House Bill No. 2784 is not passed by the legislature during the 2024 regular session and enacted into law, then on the effective date of this act, the \$196,800 appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, by this section in the state operations account, is hereby lapsed.
Regional beds (039-00-1000-3003).....\$26,500,000

Provided, however, That during fiscal year 2025, no expenditures shall be made from this account for the Sedgwick county regional psychiatric hospital until such expenditure is approved by the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto, except that such approval also may be given while the legislature is in session.

CDDO support (039-00-1000-4001).....	\$500,000
KanCare caseloads (039-00-1000-0610).....	\$14,000,000
Non-KanCare caseloads (039-00-1000-0611).....	\$1,812,000
Larned state hospital – operating expenditures account (410-00-1000-0103).....	\$9,941,339
Osawatomie state hospital – operating expenditures account (410-00-1000-0100).....	\$15,465,013
Behavioral health services (039-00-1000-3004).....	\$6,235,000

Provided, That expenditures shall be made by such agency from such account in an amount of \$250,000 for the EmberHope Youthville program to expand family on-site visitation services and support family engagement with residents of the psychiatric residential treatment facility: *Provided further,* That expenditures shall be made by such agency from such account in an amount of \$185,000 for drug abuse and addiction prevention services for youth at the Kansas City full circle program, inc.

Valley hope substance use disorder.....\$2,500,000

Provided, That expenditures shall be made from the valley hope substance use disorder account for infrastructure to expand valley hope located in Atchison, Kansas:

Provided, however, That as a condition of receiving moneys from such account and subject to the provisions of section 41, valley hope shall provide that 10% of the total capacity of beds in the Atchison facility shall be used for medicaid eligible substance abuse treatment inpatient beds.

Indigent support.....\$3,500,000

Provided, That expenditures shall be made from the indigent support account for providing support to the substance use disorder providers who provide services to individuals who have no insurance or other medical coverage: *Provided further,* That the above agency shall develop guidelines for providers to apply for the funds and establish a review team for the application for funds to determine that such funds are being appropriately used to provide services to such indigent individuals.

Mental health intervention team pilot (039-00-1000).....\$4,500,000

Provided, That any unencumbered balance in the mental health intervention team pilot account (652-00-1000-0150) of the department of education in excess of \$100 as of June 30, 2024, is hereby reappropriated to the mental health intervention team pilot account (039-00-1000) of the above agency for fiscal year 2025: *Provided further,* That expenditures shall be made by the above agency from such account during fiscal year 2025 in an amount of \$1,500,000 for qualified schools: *And provided further,* That expenditures shall be made by the above agency from such account during fiscal year 2025, including moneys appropriated in section 83(a) of 2024 Senate Bill No. 28, to establish the mental health intervention team program as provided by the provisions of this proviso:

(1) *And provided further,* That such school district program shall be a continuation of the mental health intervention team pilot program first established

pursuant to section 1 of chapter 57 of the 2018 Session Laws of Kansas and K.S.A. 72-9943, and amendments thereto, and continued and expanded through subsequent appropriation acts of the legislature: *And provided further*, That the purposes of the mental health intervention team program are to: Provide greater access to behavioral health services for students enrolled in kindergarten or any of the grades one through 12 and establish a coherent structure between school districts and mental health intervention team providers to optimize scarce behavioral health resources and workforce; identify students, communicate with families and link students and their families to the statewide behavioral health systems and resources within the network of mental health intervention team providers; alleviate the shortage of staff with specialized degrees or training such as school counselors, psychologists and social workers and reduce the competition for such staff between school districts and other private and governmental service providers to provide broader-based and collaborative services to students, especially in rural districts that do not have enough students to justify a full-time staff position; provide and coordinate mental health services to students throughout the calendar year, not only during school hours over nine months of the school year; and reduce barriers that families experience to access mental health services and maintain consistency for a child to attend recurring sessions and coordination between the child's classroom schedule and the provision of such services: *And provided further*, That the program shall focus on the following students: Any student who has been adjudicated as a child in need of care and is in the custody of the secretary for children and families or has been referred for a families first program or family preservation program; and any other student who is in need of mental health support services: *And provided further*, That the secretary for aging and disability services shall appoint a mental health intervention team program manager and, within the limits of appropriations therefor, such additional staff as necessary to support such manager: *And provided further*, That the above agency shall oversee and implement the mental health intervention team program in accordance with the requirements of this proviso and the policies and procedures established by the above agency pursuant to this proviso: *And provided further*, That during fiscal year 2025, the board of education of a school district may apply to the above agency to establish or maintain a mental health intervention team program within such school district: *And provided further*, That the application shall be in such form and manner as the above agency requires and submitted at a time determined and specified by such agency: *And provided further*, That each application submitted by a school district shall specify the mental health intervention team provider that the school intends to coordinate with to provide school-based services to students who need assistance during the applicable school year: *And provided further*, That the school district shall provide notice to the mental health intervention team provider as soon as they are able of their intent to partner for the following school year: *And provided further*, That the above agency shall establish an application review committee that shall include representatives from mental health intervention team providers and the department of education: *And provided further*, That if a school district and mental health intervention team provider are approved to establish or maintain a mental health intervention team program, the school district shall enter into a memorandum of understanding with a partnering mental health intervention team provider: *And provided further*, That if the school district chooses to partner with more than one mental health intervention team provider, the school district shall enter

into a separate memorandum of understanding with each such mental health intervention team provider: *And provided further*; That the above agency may establish requirements for a memorandum of understanding, including contractual provisions that are required to be included in each memorandum of understanding and that are optional and subject to agreement between the school district and the mental health intervention team provider: *And provided further*; That each memorandum of understanding shall be submitted to the above agency for final approval: *And provided further*; That the above agency may authorize another category of provider other than a mental health intervention team provider to serve as a partnering provider under the mental health intervention team program pursuant to this proviso: *And provided further*; That such category of provider shall provide the required services and otherwise meet the requirements of a partnering mental health intervention team provider under this proviso: *And provided further*; That if the above agency authorizes another category of provider other than a mental health intervention team provider, such agency shall provide notification of this decision to the mental health intervention team provider that provides services in that county: *And provided further*; That, subject to appropriations therefor, a school district and mental health intervention team provider that have been approved by the above agency to establish or maintain a mental health intervention team program shall be eligible to receive a mental health intervention team program grant and a mental health intervention team provider pass-through grant: *Provided, however*; That the amount of a school district's mental health intervention team program grant shall be determined in each school year by calculating the total amount of the salary and fringe benefits paid by the school district to each school liaison: *And provided further*; That the amount of a school district's mental health intervention team provider pass-through grant shall be an amount equal to 35% of the amount of the school district's mental health intervention team grant: *And provided further*; That moneys provided to a school district for the mental health intervention team provider pass-through grant shall be paid to any mental health intervention team provider that partners with the school district: *And provided further*; That if the amount of appropriations are insufficient to pay in full the amount of all grants school districts are entitled to receive for the school year, the above agency shall prorate the amount appropriated among all districts: *And provided further*; That the above agency shall be responsible for the allocation and distribution of grants in accordance with appropriation acts: *And provided further*; That the above agency may make grant payments in installments and may provide for payments in advance or by way of reimbursement and may make any necessary adjustments for any overpayment to a school district: *And provided further*; That the above agency shall not award any grant to a school district unless such district has entered into a memorandum of understanding with a partnering mental health intervention team provider in accordance with this proviso: *And provided further*; That any remaining appropriations that were not allocated to the mental health intervention team program shall provide funding in the form of grants from the above agency to the association of mental health intervention team providers of Kansas to fund training for school districts participating in the mental health intervention team program pursuant to this proviso: *And provided further*; That the above agency shall seek advice from mental health intervention team providers prior to awarding any grant under this subsection: *And provided further*; That the above agency may waive the requirement that a school district employ a school liaison and

may instead authorize a mental health intervention team provider that partners with the school district to employ a school liaison: *And provided further*; That such waiver shall only be granted by the above agency in limited circumstances: *And provided further*; That a school district that is granted a waiver pursuant to this proviso shall continue to be eligible to receive the mental health intervention team program grant and the mental health intervention team provider pass-through grant authorized pursuant to this proviso: *And provided further*; That the amount of the mental health intervention team program grant shall be determined in the same manner as provided under this proviso as though the school liaison was employed by such school district: *And provided further*; That upon receipt of any moneys awarded pursuant to the mental health intervention team program grant to any such school district, the school district shall direct payment of such amount to the mental health intervention team provider that employs the school liaison: *And provided further*; That on or before January 13, 2025, the above agency shall prepare and submit a report on the mental health intervention team program for the preceding school year to the house of representatives standing committees on appropriations, social services budget and health and human services, or their successor committees, and the senate standing committees on ways and means, ways and means subcommittee on human services and public health and welfare, or their successor committees: *And provided further*; That such report shall provide a summary of the program, including, but not limited to, the school districts that applied to participate or continued participating under the program, the mental health intervention team providers, the grant amount each such school district received and the payments made by school districts from the mental health intervention team program fund of each school district: *And provided further*; That the staff required for the establishment and maintenance of a mental health intervention team program shall include a combination of one or more behavioral health liaisons employed by the school district and one or more case managers and therapists licensed by the behavioral sciences regulatory board who are employed by the partnering mental health intervention team provider: *And provided further*; That all staff working together under a school district's program shall be known as the mental health intervention team of the school district: *And provided further*; That the school district and the mental health intervention team provider shall cooperate and work together to identify needs specific to the students in the school district, and the families of such students and shall develop an action plan to implement a school-based program that is tailored to such needs: *And provided further*; That a school district that participates in the program shall employ one or more school liaisons who will help students in need and coordinate services between the school district, the student, the student's family and the mental health intervention team provider: *And provided further*; That a school liaison shall have a bachelor's degree in any field of study: *And provided further*; That a school liaison's roles and responsibilities include, but are not limited to: Identifying appropriate student referrals for the team to engage with; act as a liaison between the school district and the mental health intervention team provider and be the primary point of contact for communications between the school district and the mental health intervention team provider; assist with mental health intervention team provider staff understanding of the school district's system and procedures including the school calendar, professional development, drills and crisis plan protocols; triage prospective student referrals and help decide how to prioritize interventions; help the mental health intervention team provider and other school

personnel understand the roles and responsibilities of the mental health intervention team; facilitate communications and connections between families of identified students and the mental health intervention team provider's staff; coordinate a student's treatment schedule with building administrators and classroom teachers, to optimize clinical therapist's productivity; troubleshoot problems that arise and work with the mental health intervention team provider to resolve such problems; track and compile outcomes to monitor the effectiveness of the program; maintain and update the department of education mental health intervention team database as directed by the above agency and required by this section; follow up with child welfare contacts if a student has moved schools to get the child's educational history; be an active part of the school intervention team and relay information back to mental health intervention team provider staff, including student observations, intervention feedback from teachers, communications with family and other relevant information; work with school administration to identify and provide confidential space for a mental health intervention team provider therapist; assist in planning continuity of care through summer services; and submit an annual report to the above agency on how the liaison complied with the required roles and responsibilities: *And provided further*, That within the scope of employment by a school district, an individual employed as a school liaison shall primarily perform roles and responsibilities that are related to the school liaison position as described in this section: *And provided further*, That once the initial referral has been completed for a student, all relevant information shall be entered into the database within 14 calendar days: *And provided further*, That a mental health intervention team provider that partners with a school district shall employ one or more therapists licensed by the behavioral sciences regulatory board who will collaborate with the school district to assist students in need and provide services to such students under the program: *And provided further*, That a therapist's roles and responsibilities under the program include, but are not limited to: Assist the school liaison with the identification of appropriate student referrals to the program; triage student referrals with the school liaison to prioritize treatment interventions for identified students; work with the school liaison to connect with families or child welfare contacts to obtain consent to commence treatment; conduct a clinical assessment of the identified student and make appropriate treatment recommendations; engage with the student, family or child welfare contacts in clinical interventions as identified on the treatment plan and provide individual and family therapy; administer scales or tests to detect areas of concern with depression, anxiety, self-harm or other areas as identified; make referrals to other treatment modalities as appropriate; communicate educationally appropriate information to the school liaison, such as interventions and strategies for use by classroom and school staff; gather outcome data to monitor the effectiveness of the program; coordinate with the case manager to identify ways to support the student and family; provide therapy services as determined by the students' treatment plan; and maintain the treatment plan and necessary treatment protocols required by the mental health intervention team provider: *And provided further*, That a mental health intervention team provider that partners with a school district shall employ one or more case managers who will collaborate with the school district to assist students in need and to coordinate services under the program: *And provided further*, That a case manager's roles and responsibilities under the program include, but are not limited to: Work with the school liaison and clinical therapist to identify students and triage priorities for treatment; provide outreach to

students, families and child welfare contacts to help engage in treatment; participate in the treatment planning process; communicate with the school liaison and other school district personnel about student needs, interventions and progress; help maintain communication between all entities, including the family, student, school, clinical therapist, child welfare contacts and the community; maintain the treatment plan and necessary treatment protocols required by the mental health intervention team provider; make referrals to appropriate community resources; help reconnect students and families when they are not following through with the treatment process; help families negotiate barriers to treatment; and engage with the student in the classroom, the home or the community to help build skills wherever needed: *And provided further*; That each school district that receives moneys for the mental health intervention team program grant or the mental health intervention team provider pass-through grant awarded pursuant to this proviso shall credit the moneys to a mental health intervention team program fund created by such school district: *And provided further*; That moneys in such fund shall be used by a school district to: Pay for the expenditures that are attributable to the salary and fringe benefits of any school liaison employed by the school district pursuant to the mental health intervention team program; and provide payment to each partnering mental health intervention team provider in an amount equal to the mental health intervention team provider pass-through grant received by the school district: *And provided further*; That the school district shall keep separate accounting records for the school liaison expenditures and the pass-through grants to mental health intervention team providers: *And provided further*; That the above agency shall publish on its website an aggregated report of outcomes achieved, numbers served and associated information by the mental health intervention team program: *And provided further*; That the above agency shall establish a crisis hotline, available 24 hours a day, seven days a week, that individuals receiving services from the mental health intervention team program may access outside of the hours that such individuals are receiving services: *And provided further*; That such hotline shall be established for the purposes of providing information sharing and communications regarding crisis coordination and emergency response services:

(2) *And provided further*; That such qualified school district program shall be established and implemented by the board as established in this paragraph: *And provided further*; That the board shall be appointed by the secretary as follows: (A) A school psychologist employed by a qualified school; (B) a school administrator employed by a qualified school; (C) a mental health professional employed by a community mental health center; (D) a mental health professional employed by a federally qualified health center; (E) a representative of the state board of education; (F) a representative of the above agency; and (G) a parent or guardian of a qualified school student: *And provided further*; That the board shall establish a plan, including specified criteria, for the allocation of moneys to qualified schools for the establishment and maintenance of mental health intervention teams: *And provided further*; That such teams will provide timely support and resources to students facing mental health issues in order to promote a healthier learning environment: *And provided further*; That the board shall review the criteria for school district funding as provided in paragraph (1) and determine which such criteria will work best for the qualified schools: *And provided further*; That such criteria may include student population size, demonstrated need for mental health support and the availability of qualified staff: *And provided further*; That

any qualified school seeking funding for mental health intervention teams shall submit a proposal for funding to the board: *And provided further*, That the board shall evaluate each proposal based on the criteria established by the board: *And provided further*; That board shall make recommendations to the secretary on the allocation of funding and the secretary shall allocate funding for qualified schools based on such recommendations: *And provided further*; That the board shall oversee the implementation of the qualified school's mental health intervention teams: *And provided further*; That the board shall review the criteria for school district reporting, monitoring and evaluating as provided in paragraph (1) and determine which such criteria will work best for the qualified schools: *And provided further*; That the board shall establish such reporting, monitoring and evaluating to ensure that the mental health intervention teams effectively meet the needs of students and adhere to best practices in mental health care, program service delivery: *And provided further*; That on or before January 13, 2025, the above agency shall prepare and submit a report summarizing the mental health intervention team program for qualified schools to the house of representatives standing committees on appropriations, social services budget and health and human services, or their successor committees, and the senate standing committees on ways and means, ways and means subcommittee on human services and public health and welfare, or their successor committees: *And provided further*; That the board shall provide resources, training and support to qualified schools and such school's mental health intervention teams, including access to professional development opportunities, educational materials and networking opportunities with other qualified schools and mental health organizations; and

(3) *And provided further*; That as used in this proviso: (A) "Mental health intervention team provider" means a center organized pursuant to article 40 of chapter 19 of the Kansas Statutes Annotated, and amendments thereto, a mental health clinic organized pursuant to article 2 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto, or a federally qualified health center as defined by section 1905(1)(2)(B) of the federal social security act: *And provided further*; That "mental health intervention team provider" includes other provider categories as authorized by the above agency to serve as a partnering provider under the mental health intervention team program pursuant to this proviso: *And provided further*; That a provider under this proviso shall provide services, including: Support for students available 24 hours a day, seven days a week; person-centered treatment planning; and outpatient mental health services; (B) "school district" means a school district as defined in K.S.A. 72-5132, and amendments thereto; and (C) "qualified school" means any nonpublic school that provides education to elementary or secondary students and is accredited by the state board or a national or regional accrediting agency that is recognized by the state board for the purpose of satisfying the teaching performance assessment for professional licensure or is working in good faith toward such accreditation.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

State licensure fee fund (039-00-2373-2370).....No limit

Provided, That expenditures shall be made from the state licensure fee fund for fiscal year 2025 for the purpose of providing oversight of supplemental healthcare services

agencies through annual registration and quarterly reporting: *Provided further*, That the above agency shall require a supplemental healthcare services agency to register with the above agency by completing a form established by such agency and pay a registration fee of not to exceed \$2,035: *And provided further*, That all fees received pursuant to this subsection shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the state licensure fee fund: *And provided further*, That the above agency shall require a report from each registered supplemental healthcare services agency on a quarterly basis for each healthcare facility that participates in medicare or medicaid with which the supplemental healthcare services agency contracts: *And provided further*, That the report shall include a detailed list of the average amount that the supplemental healthcare services agency charged the healthcare facility for each individual agency employee category and the supplemental healthcare services agency paid to employees in each individual employee category: *And provided further*, That as used in this subsection, "supplemental healthcare services agency" means a person, firm, corporation, partnership or association engaged in for-hire business of providing or procuring temporary employment in healthcare facilities for healthcare personnel, including a temporary nursing staffing agency, or operates a digital website or digital smartphone application that facilitates the provision of the engagement of healthcare personnel and accepts requests for healthcare personnel through a digital website or digital smartphone application: *Provided, however*, That a "supplemental healthcare services agency" shall not include an individual who engages on their own behalf or to provide services on a temporary basis to healthcare facilities or a home health agency: *And provided further*, That as used in this subsection, "temporary nursing staffing agency" means a person, firm, corporation, partnership or association doing business within the state that supplies, on a temporary basis, registered nurses or licensed practical nurses to a hospital, nursing home or other facility requiring such services.

(c) On the effective date of this act, the provisions of the proviso under section 83(b) of 2024 Senate Bill No. 28 for the state licensure fee fund (039-00-2373-2370) are hereby declared to be null and void and shall have no force and effect.

(d) During the fiscal year ending June 30, 2025, notwithstanding the provisions of article 20 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2025 as authorized by section 83 and 155 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature: (1) Expenditures may be made from such moneys during fiscal year 2025 for the secretary for aging and disability services to: (A) Waive a requirement of the rules and regulations adopted under article 20 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, if the secretary finds that the waiver of the regulatory requirement is in the public interest and will not detrimentally affect the life, safety, health or welfare of any person receiving care or treatment in a center, facility or hospital licensed under article 20 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, or an individual receiving services from a provider licensed under article 20 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto: *Provided*, That for the purposes of paragraph (1)(A), "provider" includes a: (i) Day service provider who

provides day support services for development in self-help, social, recreational skills and work skills for adults with intellectual or developmental disabilities that is licensed by the above agency; or (ii) separate and distinct dedicated division of a provider of day support services for development in self-help, social, recreational skills and work skills for adults with intellectual or developmental disabilities licensed by the above agency; and (B) make an order conditioning or restricting a license issued under article 20 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, using the notice and hearing procedure requirements pursuant to K.S.A. 39-2013, and amendments thereto; and (2) expenditures shall be made from such moneys during fiscal year 2025 for the secretary for aging and disability services to: (A) Advise the licensee of the opportunity to be heard in accordance with the Kansas administrative procedure act and to appeal such order in accordance with the provisions of the Kansas judicial review act when issuing the written notice of assessment pursuant to K.S.A. 39-2016, and amendments thereto; and (B) advise any licensee against whom a civil penalty has been assessed, that such licensee may appeal such assessment to the secretary within 10 days after receiving a written notice of assessment by filing a written notice of appeal with the office of administrative hearings specifying why such civil penalty should not be assessed: *Provided*, That such appeal shall not operate to stay the payment of the civil penalty: *Provided further*, That if the initial order issued by the office of administrative hearings finds in favor of the appellant and the secretary affirms the initial order, any civil penalties collected shall be refunded to the appellant licensee: *And provided further*, That either party may appeal the final order in accordance with the Kansas judicial review act.

(e) During the fiscal year ending June 30, 2025, notwithstanding the provisions of K.S.A. 75-37,105, and amendments thereto, or any other statute, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or any special revenue fund or funds for fiscal year 2025 by section 83 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature, expenditures may be made by the above agency from such moneys to implement, in coordination with the department of administration division of personnel services, a program for the awarding of hiring, recruiting or retention bonuses to state employees who are employed at any state hospital or institution under the supervision of the secretary for aging and disability services: *Provided*, That the amount of such bonuses shall not exceed \$10,000 per state employee.

Sec. 41.

KANSAS DEPARTMENT FOR
AGING AND DISABILITY SERVICES

(a) During the fiscal year ending June 30, 2026, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2026, as authorized by section 84 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 or 2025 regular session of the legislature, expenditures shall be made from such moneys during fiscal year 2026 by the above agency to request from valley hope certification that valley hope is providing 10% of the total capacity of beds in the Atchison facility for medicaid eligible substance abuse treatment inpatient beds: *Provided*, That if valley hope fails to provide such certification on or before

January 1, 2026, valley hope shall reimburse the above agency \$2,500,000: *Provided further*, That if valley hope fails to reimburse the above agency, the above agency is hereby authorized to take legal action to collect such moneys, including filing for a lien to be attached on any real property owned by valley hope in the state of Kansas in the amount of any outstanding moneys required to be reimbursed pursuant to section 40 and this section.

Sec. 42.

KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Youth services aid and assistance (629-00-1000-7020).....\$4,928,600

Sec. 43.

KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Youth services aid and assistance (629-00-1000-7020).....\$36,198,287

State operations (including official hospitality) (629-00-1000-0013).....\$1,800,000

Provided, That expenditures shall be made by the above agency from such account in an amount of \$1,800,000 for a matching funds grant with a charitable organization exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code to provide toiletry kits for public elementary and secondary schools.

Sec. 44.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

KPERS – school employer contributions –

non-USDs (652-00-1000-0100).....\$1,631,443

(b) On the effective date of this act, of the \$531,880,516 appropriated for the above agency for the fiscal year ending June 30, 2024, by section 2(a) of chapter 98 of the 2023 Session Laws of Kansas from the state general fund in the KPERS – school employer contributions – USDs account (652-00-1000-0110), the sum of \$7,914,323 is hereby lapsed.

(c) On the effective date of this act, of the \$2,558,881,605 appropriated for the above agency for the fiscal year ending June 30, 2024, by section 4(a) of chapter 94 of the 2022 Session Laws of Kansas from the state general fund in the state foundation aid account (652-00-1000-0820), the sum of \$13,488,000 is hereby lapsed.

Sec. 45.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

KPERS – school employer contributions –

non-USDs (652-00-1000-0100).....\$2,887,068

Supplemental state aid (652-00-1000-0840).....\$8,000,000

(b) On July 1, 2024, of the \$506,277,807 appropriated for the above agency for the

fiscal year ending June 30, 2025, by section 2(a) of 2024 Senate Bill No. 387 from the state general fund in the KPERs – school employer contributions – USDs account (652-00-1000-0110), the sum of \$7,533,362 is hereby lapsed.

(c) On July 1, 2024, of the \$2,825,725,000 appropriated for the above agency for the fiscal year ending June 30, 2025, by section 3(a) of chapter 98 of the 2023 Session Laws of Kansas from the state general fund in the state foundation aid account (652-00-1000-0820), the sum of \$23,066,474 is hereby lapsed.

(d) During the fiscal year ending June 30, 2025, notwithstanding any memorandum of agreement between the office of recovery and the above agency concerning the use of state fiscal recovery fund moneys, expenditures shall be made by the above agency from the ARPA agency state fiscal recovery fund (652-00-3756) or from any other federal elementary and secondary school emergency relief moneys appropriated for the above agency for fiscal year 2025 in an amount of \$1,000,000 for a youth career exploration program.

Sec. 46.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2026, the following:

Supplemental state aid (652-00-1000-0840).....\$23,200,000

(b) On July 1, 2025, of the \$3,027,848,697 appropriated for the above agency for the fiscal year ending June 30, 2026, by section 3(a) of 2024 Senate Bill No. 387 from the state general fund in the state foundation aid account (652-00-1000-0820), the sum of \$30,551,210 is hereby lapsed.

Sec. 47.

STATE LIBRARY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Blind information access program (434-00-1000-0500).....\$70,000

Sec. 48.

STATE HISTORICAL SOCIETY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Charles Curtis home purchase.....\$300,000

Provided, That if the amount expended by the above agency to purchase the Charles Curtis home is less than \$300,000 based on the market value appraisals required by K.S.A. 76-2050, and amendments thereto, then the amount in excess of the purchase price for the Charles Curtis home shall lapse.

Sec. 49.

KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Kansas state university college of aviation jet.....\$1,200,000

Provided, That expenditures shall be made from this account for fiscal year 2025 for the shared lease or ownership, insurance, maintenance and operations of a jet-type aircraft for student training purposes.

Central immersive training hub.....\$3,950,000

Provided, That all expenditures shall be made by the above agency from the central

immersive training hub account for the central immersive training hub at the Kansas state university Salina campus.

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, for the capital improvement project or projects specified, the following:

Dairy facility debt service.....\$2,635,000

(c) In addition to the other purposes for which expenditures may be made by Kansas state university from moneys appropriated from the state general fund or any special revenue fund or funds for fiscal year 2025, as authorized by sections 100 and 164 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures may be made by Kansas state university from such moneys for fiscal year 2025 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 to construct, renovate, develop and equip a dairy facility at the Manhattan campus of Kansas state university: *Provided*, That such capital improvement project is hereby approved for Kansas 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 Kansas 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 \$34,000,000 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction and renovation of such project and, for a period of not more than one year following completion of such project, credit enhancement costs and any required reserves for the 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 the state general fund: *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 Kansas state university shall make provisions for the maintenance of the dairy facility: *And provided further*, That issuance of bonds for such capital improvement project shall be matched by Kansas state university on a 15% of the total project amount basis from other moneys of Kansas state university.

Sec. 50.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Emporia state model investment account (379-00-1000-0400).....\$9,000,000

Provided, That any unencumbered balance in the Emporia state model investment account in excess of \$100 as of June 30, 2024, is hereby reappropriated for fiscal year 2025.

Sec. 51.

PITTSBURG STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Institute for emerging technologies center for graphene.....\$500,000

Provided, That all expenditures from such account shall require a match of federal moneys on the basis of \$6 of federal moneys to \$1 of state moneys.

Sec. 52.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Kansas law enforcement training center operating expenditures.....\$12,000,000

Sec. 53.

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 2024 or fiscal year 2025, as authorized by this or other appropriation act of the 2023 or 2024 regular session of the legislature, expenditures may be made by Wichita state university from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2024 or fiscal year 2025 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 the NIAR technology and innovation 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 \$20,000,000 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 the 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 building.

(b) On the effective date of this act, the provisions of section 162(f) of chapter 82 of the 2023 Session Laws of Kansas are hereby declared to be null and void and shall

have no force and effect.
Sec. 54.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

- Need-based aid scholarship and recruitment (561-00-1000-0580).....\$2,500,000
- Rural family physician residency program expansion grant.....\$10,000,000

Provided, That all expenditures from the rural family physician residency program expansion grant account for fiscal year 2025 shall require a match of nonstate or private moneys on the basis of \$2 of nonstate or private moneys to \$1 of state moneys:

Provided further, That expenditures shall be made from such account for the expansion of an existing program located in a county with a population of between 40,000 and 60,000 as of the 2020 census that is designed to place rural family physicians in Kansas. Kansas nursing initiative grant program (561-00-1000-4130).....\$1,000,000

Provided, however, That during fiscal year 2025, as a condition of receiving such grant, any such recipient shall agree to be employed as a nurse in a health care facility in Kansas on a full-time basis for a period of 12 months for each year a grant was received or on a part-time basis for a period equivalent to 12 months, as determined by the above agency, for each year a grant was received, and shall not be employed by a supplemental healthcare services agency, as defined in section 40(b): *Provided*, That if the above agency determines a recipient is in violation of the provisions of this proviso, the above agency shall require such recipient reimburse the above agency in the amount of the grant.

- Nursing student scholarship program (561-00-1000-4100).....\$1,000,000

Provided, however, That during fiscal year 2025, as a condition of receiving such scholarship, any such recipient shall agree to be employed as a nurse in a health care facility in Kansas on a full-time basis for a period of 12 months for each year a scholarship was received or on a part-time basis for a period equivalent to 12 months, as determined by the above agency, for each year a scholarship was received, and shall not be employed by a supplemental healthcare services agency, as defined in section 40(b):

Provided, That if the above agency determines a recipient is in violation of the provisions of this proviso, the above agency shall require such recipient reimburse the above agency in the amount of the scholarship.

- Kansas education opportunity scholarships.....\$1,700,000
- Hero's act scholarships.....\$1,000,000
- EMERGE program assistance.....\$1,100,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, 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:

- Kansas national guard EMERGE program repayment fund.....No limit

(c) On the effective date of this act, the Kansas ethnic minority scholarship discontinued attendance fund of the state board of regents is hereby redesignated as the Kansas education opportunity scholarship discontinued attendance fund of the state board of regents.

(d) On July 1, 2024, or as soon thereafter as moneys are available, the director of

accounts and reports shall transfer \$1,000,000 from the state general fund to the Kansas adult learner grant program fund (561-00-2857-2857) of the state board of regents.

(e) During fiscal year 2025, notwithstanding the provisions of the Kansas promise scholarship act, K.S.A. 74-32,271 through 74-32,278, and amendments thereto, or any other statute, in addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2025 for such agency as authorized by section 116 of chapter 82 of the 2023 Session Laws of Kansas, section 116 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys for fiscal year 2025 to allow Kansas students attending heartland welding academy, Wichita technical institute or Peaslee tech located in Kansas to be eligible to be awarded a scholarship pursuant to such program during the fiscal year ending June 30, 2025, if such student is attaining a certification in advanced manufacturing or building trades at such school or academy: *Provided*, That such expenditures from such program pursuant to this subsection shall be based on the number of qualifying students in the same proportional share as other qualifying students at not-for-profit independent institutions of higher education as described in K.S.A. 74-32,120, and amendments thereto.

(f) During fiscal year 2025, notwithstanding the provisions of the Kansas promise scholarship act, K.S.A. 74-32,271 through 74-32,278, and amendments thereto, or any other statute, in addition to the other purposes for which expenditures shall be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2025, as authorized by section 116 of chapter 82 of the 2023 Session Laws of Kansas, section 116 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys for fiscal year 2025 to provide such scholarships to students who are otherwise eligible for the Kansas promise scholarship, agree to work in Kansas on a full-time basis for a period of 24 consecutive months, or on a part-time basis for a consecutive period equivalent to 24 months, as determined by the above agency, and are pursuing allied health professions, including, but not limited to, nursing professionals, laboratory technicians and assistants, respiratory therapists, occupation therapists and mental health professionals: *Provided*, That if the above agency determines a recipient is in violation of the provisions of this proviso, the above agency shall require such recipient reimburse the above agency in the amount of the scholarship.

Sec. 55.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2026, the following:

Need-based aid scholarship and recruitment (561-00-1000-0580).....	\$2,500,000
Hero's act scholarships.....	\$1,750,000
EMERGE program assistance.....	\$2,200,000

Sec. 56.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Facilities operations (521-00-1000-0303).....	\$4,000,000
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Regional inpatient juvenile substance use treatment.....\$2,500,000

Provided, That all moneys in the regional inpatient juvenile substance use treatment account shall be used for Mirror Incorporated to create a regional inpatient juvenile substance use treatment center in south central Kansas with the capacity of at a minimum forty beds.

(b) On the effective date of this act, of the amount of moneys appropriated and reappropriated for the above agency for the fiscal year ending June 30, 2024, by section 118(a) of chapter 82 of the 2023 Session Laws of Kansas from the state general fund in the evidence-based programs account (521-00-1000-0050), the sum of \$7,500,000 is hereby lapsed.

Sec. 57.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Facilities operations (521-00-1000-0303).....\$21,900,625

(b) Any unencumbered balance in the Kansas penitentiary museum content development account in excess of \$100 as of June 30, 2024, is hereby reappropriated for the fiscal year 2025: *Provided*, That expenditures shall be made from the Kansas penitentiary museum content development account in consultation with the Lansing historical society in pursuit of establishing the Kansas penitentiary museum.

(c) Any unencumbered balance in the Lansing future prison museum stabilization account in excess of \$100 as of June 30, 2024, is hereby reappropriated for the fiscal year 2025: *Provided*, That all expenditures made from the Lansing future prison museum stabilization account shall be for assessing and making stabilization repairs in areas of the Lansing correctional facility to be used for a future prison museum.

(d) Any unencumbered balance in the Lansing correctional facility career campus account (521-00-1000) in excess of \$100 as of June 30, 2024, is hereby reappropriated for the fiscal year 2025.

(e) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or any special revenue fund of funds for fiscal year 2025 by section 119 or 173 of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys during fiscal year 2025 for the purposes of executing an exclusive agreement with the Lansing historical society for the administration and operation of a museum located on the Lansing correctional facility grounds for historical preservation and education: *Provided*, That such agreement shall include provisions granting the Lansing historical society the exclusive right of running tours in the old Lansing correctional facility and outlining roles, responsibilities and restrictions regarding such tours.

(f) Any unencumbered balance in the regional inpatient juvenile substance use treatment account in excess of \$100 as of June 30, 2024, is hereby reappropriated for the fiscal year 2025: *Provided*, That during fiscal year 2025, the provisions of the provisos in section 56(a) shall apply to any expenditure from the regional inpatient juvenile substance use treatment account of the state general fund.

Sec. 58.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

Operating expenditures (034-00-1000-0053).....\$22,715
Sec. 59.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Operating expenditures (034-00-1000-0053).....\$22,715
Shooting team grants.....\$50,000

Provided, That expenditures shall be made from the shooting team grants account for the adjutant general to provide grants to shooting teams from the Kansas air national guard or the Kansas army national guard for ammunition, equipment and travel expenses for marksmanship matches: *Provided further*, That an eligible team shall have participated in: (1) The 2024 adjutant general's combat marksmanship match; and (2) a national guard marksmanship regional or national competition: *And provided further*, That upon application from eligible teams, at least one grant shall be awarded to a Kansas air national guard team and at least one grant shall be awarded to a Kansas army national guard team: *Provided, however*, That, if no team from one branch of the Kansas national guard meets the requirements of this proviso, the adjutant general may award all grants to teams from the other branch of Kansas national guard that meet such requirements: *And provided, however*, That the adjutant general shall not award a single team all moneys in the shooting team grants account.

Sec. 60.

KANSAS HIGHWAY PATROL

(a) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from the Kansas highway patrol operations fund (280-00-2034-1100) for fiscal year 2025 as authorized by section 125 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made from the Kansas highway patrol operations fund to establish a license plate reader system pilot program, including fixed and mobile license plate readers: *Provided*, That the department of transportation shall install such license plate reader units in consultation with the Kansas highway patrol.

(b) On July 1, 2024, the amount of \$18,206,594.25 authorized by section 125(d) of 2024 Senate Bill No. 28 to be transferred by the director of accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol on July 1, 2024, October 1, 2024, January 1, 2025, and April 1, 2025, is hereby increased to \$18,706,594.25.

(c) On July 1, 2024, the expenditure limitation established by section 125(a) of 2024 Senate Bill No. 28 on the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby increased from \$72,826,377 to \$74,826,377.

(d) On July 1, 2024, the amount of \$575,181 authorized by section 175(e) of 2024 Senate Bill No. 28 to be transferred by the director of accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the scale replacement and rehabilitation and repair of buildings capital improvement account

(280-00-2034-1115) of the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby increased to \$875,181.

(e) On July 1, 2024, the expenditure limitation established for the fiscal year ending June 30, 2025, by section 175(c) of 2024 Senate Bill No. 28 on the scale replacement and rehabilitation and repair of buildings capital improvement account (280-00-2034-1115) of the Kansas highway patrol operations fund is hereby increased from \$575,181 to \$875,181.

(f) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the scale replacement and rehabilitation and repair of buildings capital improvement account (280-00-2034-1115) of the Kansas highway patrol operations fund as authorized by section 175(c) of 2024 Senate Bill No. 28, this or any other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount of not exceed \$300,000 to conduct a comprehensive assessment concerning reconfiguration of Kansas highway patrol assets in Salina, including, but not limited to, a contemporary training center, dispatch center and troop C headquarters: *Provided*, That the above agency shall submit a report on the findings of such assessment, including, but not limited to, site selection, design, construction and associated costs, to the house of representatives committee on appropriations, the senate committee on ways and means and the joint committee on state building construction on or before January 13, 2025.

Sec. 61.

ATTORNEY GENERAL – KANSAS
BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Lease space Wichita state university campus.....	\$2,031,450
Operating expenditures (083-00-1000-0083).....	\$48,621

Sec. 62.

EMERGENCY MEDICAL SERVICES BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2025, by section 128(a) of 2024 Senate Bill No. 28 for the emergency medical services operating fund (206-00-2326-4000) of the emergency medical services board is hereby increased from \$2,029,012 to \$2,249,936.

Sec. 63.

KANSAS DEPARTMENT OF AGRICULTURE

(a) During the fiscal year ending June 30, 2025, notwithstanding the provisions of K.S.A. 2-1907c, and amendments thereto, or any other statute, in addition to other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2025 by section 134 of 2024 Senate Bill No. 28, this or other appropriation act of the 2024 regular session of the legislature, expenditures shall be made by the above agency for fiscal year 2025 to provide disbursements from the division of conservation to conservation districts that have submitted the amount of money allocated by county commissioners to such conservation district by November 1, 2023: *Provided further*, That such disbursements from the division of conservation to each conservation district shall be made on a \$2 division of conservation moneys basis

to a \$1 county moneys basis to match the funds allocated by the commissioners of each county to each conservation district: *And provided further*, That the division of conservation shall submit an expenditure request to the secretary of agriculture for an amount not less than the sum of such certified allocations of each county to each conservation district, but in no event shall such request exceed the sum of \$50,000 per conservation district: *And provided further*, That the amounts disbursed by the division of conservation to each conservation district based on the matching formula provided by this subsection shall be made as soon as practicable after July 1, 2024, and such disbursements to each conservation district shall not exceed \$50,000 per conservation district: *Provided, however*, That the disbursement of moneys provided for in this subsection shall be prorated in proportion to county allocations to each conservation district in the event that the secretary of agriculture determines that appropriations are insufficient for the complete matching of funds.

Sec. 64.

KANSAS DEPARTMENT OF AGRICULTURE

(a) During the fiscal year ending June 30, 2026, notwithstanding the provisions of K.S.A. 2-1907c, and amendments thereto, or any other statute, in addition to other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2026 by this or other appropriation act of the 2024 or 2025 regular session of the legislature, expenditures shall be made by the above agency for fiscal year 2026 to provide disbursements to conservation districts on a \$2 division of conservation moneys basis to a \$1 county moneys basis to match the funds allocated by the commissioners of each county to each conservation district: *Provided*, That on or before November 1, 2024, conservation districts shall submit to the division of conservation a certification of the amount of money allocated by county commissioners for conservation district activities for the ensuing calendar year: *Provided further*, That the division of conservation shall submit an expenditure request to the secretary of agriculture for an amount not less than the sum of such certified allocations of each county to each conservation district, but in no event shall such request exceed the sum of \$50,000 per conservation district: *And provided further*, That the amounts disbursed by the division of conservation to each conservation district based on the matching formula provided by this subsection shall be made as soon as practicable after July 1, 2025, and such disbursements to each conservation district shall not exceed \$50,000 per conservation district: *Provided, however*, That the disbursement of moneys provided for in this subsection shall be prorated in proportion to county allocations to each conservation district in the event that the secretary of agriculture determines that appropriations are insufficient for the complete matching of funds.

Sec. 65.

DEPARTMENT OF TRANSPORTATION

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2025, 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:

Kansas air service development incentive program fund.....No limit
Provided, That all expenditures from the Kansas air service development incentive program fund shall be to support commercial service airports in Kansas: *Provided*

further, That the Kansas department of transportation shall establish requirements for the program, taking into consideration: (1) Recent or imminent regional economic development opportunities, including, but not limited to, new business entering the market area or business growth in the market area; (2) viable air service opportunities, including, but not limited to, airline support service or market data support service; (3) air service routes serving a market area that meets the needs of such economic development opportunities, including, but not limited to, routes establishing a pipeline to areas with workforce talent or serving a customer base or main business function; and (4) local match requirements, including, but not limited to, opportunities to use state or local moneys to leverage federal air service development grant funds: *And provided further*, That local entities representing commercial service airports may apply for grants from such fund: *And provided further*, That the Kansas department of transportation shall form a selection committee to evaluate such applications: *And provided further*, That not more than \$1,000,000 shall be awarded for a single commercial service airport: *And provided further*, That all grant moneys awarded to a local entity shall be deposited in an interest-bearing escrow account: *And provided further*, That, when awarded a grant, such local entity shall execute a minimum revenue guarantee (MRG) agreement with an airline: *And provided further*, That such MRG agreement shall describe the thresholds that trigger drawdowns of grant moneys: *And provided further*, That the Kansas department of transportation shall verify all expenses before authorizing any drawdown of grant moneys from such escrow account.

(b) On July 1, 2024, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 68-416, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$5,000,000 from the state highway fund (276-00-4100-4100) to the Kansas air service development incentive program fund.

(c) On July 1, 2024, the expenditure limitation established for the fiscal year ending June 30, 2025, by section 142(b) of 2024 Senate Bill No. 28 on the agency operations account (276-00-4100-0403) of the state highway fund (276-00-4100-4100) of the department of transportation is hereby increased from \$334,537,478 to \$334,568,918.

Sec. 66. K.S.A. 2023 Supp. 82a-955, as amended by section 193 of 2024 Senate Bill No. 28, is hereby amended to read as follows: 82a-955. (a) On July 1, 2024, the director of accounts and reports shall transfer \$45,000,000 from the state general fund to the state water plan fund and July 1, 2025, the director of accounts and reports shall transfer \$35,000,000 from the state general fund to the state water plan fund. It is the intent of the legislature to provide for the transfer of \$35,000,000 from the state general fund to the state water plan fund on July 1, 2026, and July 1, 2027.

(b) (1) Except as provided in paragraph (2), the state water plan fund shall continue to be appropriated and expended for the purposes prescribed in K.S.A. 82a-951, and amendments thereto, except that if an appropriation is made for any fiscal year as intended in subsection (a), on July 1 of such fiscal year, or as soon thereafter on such dates as moneys are available:

(A) \$5,000,000 shall be transferred from the state water plan fund to the water technical assistance fund established in K.S.A. 2023 Supp. 82a-956, and amendments thereto; and

(B) \$12,000,000 shall be transferred from the state water plan fund to the water projects grant fund established in K.S.A. 2023 Supp. 82a-957, and amendments thereto.

(2) On July 1, 2024, the director of accounts and reports shall transfer \$7,500,000

from the state water plan fund to the water technical assistance fund and \$19,500,000 from the state water plan fund to the water projects grant fund.

(3) The provisions of this section shall expire on July 1, 2028. On July 1, 2028, the director of accounts and reports shall transfer all moneys in the water technical assistance fund and the water projects grant fund to the state water plan fund and all liabilities of the water technical assistance fund and the water projects grant fund shall be imposed upon the state water plan fund. On July 1, 2028, the water technical assistance fund and the water projects grant fund shall be abolished.

(c) (1) (A) Notwithstanding any restrictions in K.S.A. 82a-951, and amendments thereto, the Kansas water authority may recommend to the legislature the appropriation of up to 10% of the unencumbered balance of the state water plan fund to be used to supplement salaries of existing state agency full-time equivalent employees and for funding new full-time equivalent positions created to implement the state water plan. Moneys from such appropriation may be used to supplement existing positions, but such moneys shall not be used to replace state general fund moneys, any fee fund moneys or other funding for positions existing on July 1, 2023.

(B) Eligible full-time equivalent positions that moneys may be used for pursuant to this paragraph include engineers, geologists, hydrologists, environmental scientists, attorneys, resource planners, grant specialists and any other similar positions.

(2) If at least two conservation districts present a joint proposal to the Kansas water authority for a position or positions to provide shared services to all districts involved in such proposal, the Kansas water authority may recommend that moneys be used to supplement the salary or salaries of such position or positions pursuant to paragraph (1).

(3) The Kansas water authority shall encourage funding requests from state and local entities that cooperate with qualified nonprofit entities on projects that provide a direct benefit to water quantity and quality, including water infrastructures that are both natural and constructed, and include matching funds from non-state sources.

(4) The Kansas water authority may direct the Kansas water office to provide funding pursuant to K.S.A. 2023 Supp. 82a-956 or 82a-957, and amendments thereto, for the improvement of water infrastructure in an unincorporated area related to or serving a national park site or state historic site if the request for funding is made by a nonprofit organization or state agency that is willing to administer the moneys and oversee the project, and the Kansas water authority deems such applicant capable of successfully managing the project. Upon receipt of such a request, the Kansas water office may award moneys in any fiscal year prior to July 1, 2028, with such awarding of moneys to be made at the discretion of the Kansas water office.

(5) The Kansas water authority shall encourage the creation of grant programs for stockwatering conservation projects. Such grant programs shall prioritize the use of fees collected pursuant to K.S.A. 82a-954(a)(3), and amendments thereto.

(d) All reporting requirements established in K.S.A. 82a-951, and amendments thereto, shall continue and such reporting requirements shall apply to the water technical assistance fund established in K.S.A. 2023 Supp. 82a-956, and amendments thereto, and the water projects grant fund established in K.S.A. 2023 Supp. 82a-957, and amendments thereto.

Sec. 67. *Severability.* If any provision or clause of this act or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid

provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 68. *Appeals to exceed expenditure limitations.* (a) Upon written application to the governor and approval of the state finance council, expenditures from special revenue funds may exceed the amounts specified in this act.

(b) This section shall not apply to the expanded lottery act revenues fund, the state economic development initiatives fund, the children's initiatives fund, the state water plan fund or the Kansas endowment for youth fund, or to any account of any of such funds.

Sec. 69. If any fund or account name described by words and the numerical accounting code that follows such fund or account name do not match, it shall be conclusively presumed that the legislature intended that the fund or account name described by words is the correct fund or account name, and such fund or account name described by words shall control over a contradictory or incorrect numerical accounting code.

Sec. 70. K.S.A. 2023 Supp. 82a-955, as amended by section 193 of 2024 Senate Bill No. 28, is hereby repealed.";

And by renumbering sections accordingly;

On page 1, in line 1, by striking all after "ACT"; by striking all in lines 2 and 3; in line 4, by striking all before the period and inserting "making and concerning appropriations for the fiscal years ending June 30, 2024, June 30, 2025, June 30, 2026, June 30, 2027, and June 30, 2028, for state agencies; authorizing and directing payment of certain claims against the state; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2023 Supp. 82a-955, as amended by section 193 of 2024 Senate Bill No. 28, and repealing the existing section";

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

RICK BILLINGER

JR CLAEYS

PAT PETTY

Conferees on part of Senate

TROY WAYMASTER

KYLE HOFFMAN

HENRY HELGERSON

Conferees on part of House

Senator Billinger moved the Senate adopt the Conference Committee Report on **HB 2551**.

On roll call, the vote was: Yeas 22; Nays 12; Present and Passing 3; Absent or Not Voting 3.

Yeas: Alley, Billinger, Bowers, Claeyes, Corson, Dietrich, Fagg, Faust-Goudeau, Gossage, Haley, Kerschen, Kloos, Masterson, McGinn, Petersen, Pettey, Pittman, Reddi, Ryckman, Thompson, Ware, Wilborn.

Nays: Blasi, Doll, Erickson, Holland, O'Shea, Peck, Pyle, Shallenburger, Steffen, Straub, Sykes, Tyson.

Present and Passing: Baumgardner, Francisco, Warren.

Absent or Not Voting: Holscher, Longbine, Olson.
The Conference Committee Report was adopted.

CHANGE OF CONFERENCE

Senators Tyson, Peck, and Holland are appointed to replace Senators Longbine, Fagg, and Pittman as members of the conference committee on **H Sub SB 37**.

Senators Baumgardner, Erickson, and Sykes are appointed to replace Senators Longbine, Fagg, and Holscher as members of the conference committee on **SB 339**.

ACTION ON VETO MESSAGE

The Governor's objection to **HB 2098** having been read April 29, 2024 in a message from the House, Senator Tyson motioned that **HB 2098** be passed notwithstanding the Governor's veto.

HB 2098 AN ACT concerning sales and compensating use tax; relating to motor vehicles; providing for a deduction for calculating tax owed when selling a motor vehicle that is purchased within 120 days of the sale of another vehicle; providing an exemption for certain purchases by disabled veterans of the armed forces of the United States; excluding manufacturers' coupons from the sales or selling price; providing exemptions for custom meat processing services, purchases for the construction or repair of buildings used for human habitation by the Kansas state school for the blind and the Kansas state school for the deaf, certain purchases by doorstep inc., exploration place, inc., Kansas children's discovery center, inc. and the Kansas fairgrounds foundation; providing for a sales tax exemption for sales of property and services used in the provision of communications services; amending K.S.A. 12-199 and K.S.A. 2023 Supp. 79-3602 and 79-3606 and repealing the existing sections; also repealing K.S.A. 2023 Supp. 79-3602c.

On roll call, the vote was: Yeas 37; Nays 0; Present and Passing 1; Absent or Not Voting 2.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Kerschen, Kloos, Masterson, McGinn, O'Shea, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

Present and Passing: Steffen.

Absent or Not Voting: Holscher, Longbine.

A two-thirds constitutional majority having voted in favor of overriding the Governor's veto, the motion prevailed and the bill passed.

VETO SUSTAINED

The Governor's objection to **SB 434** having been read April 29, 2024, AN ACT concerning public health; relating to the practice of cosmetology; exempting the practice of hair removal by sugaring from the definition of cosmetology; amending K.S.A. 2023 Supp. 65-1901 and 65-1928 and repealing the existing sections..

President Masterson announced the time had arrived for reconsideration of the veto on **SB 434**. No motion having been offered to reconsider, the President announced the Governor's veto on **SB 434** was sustained

REPORT ON ENROLLED BILLS AND RESOLUTIONS

H Sub Sub SB 232, SB 500 reported correctly enrolled, properly signed and presented to the Governor on April 30, 2024.

SR 1756, SR 1757, SR 1758, SR 1759 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on April 30, 2024.

TRIBUTES

The Committee on Organization, Calendar, and Rules authorizes the following tributes for the week of April 29 through April 30, 2024:

Senator Alley: extending official recognition to Barry Ward for his many contributions to music and his community;

Senator Bowers: congratulating Michelle Towery on being named the Kansas Secondary Teacher of the year, congratulating Ruder Oil on 40 Years in Business, congratulating W&S Ranch on being named a 2023 Master Farm Family of the Year, congratulating Conrad and Donna Trost on being named a 2023 Master Farm Family of the Year, congratulating Ken and Patricia Stielow on being named a 2023 Master Farm Family of the Year, congratulating Douglas and Stacey Keas on being named a 2023 Master Farm Family of the Year, extending official recognition to Jeff Smith on 20 years as a Republic County Deputy and EMT;

Senator Kerschen: congratulating Peyton Custer on her appointment to the United States Naval Academy;

Senator Reddi: congratulating James Stack on being named a Kansas State University distinguished professor, congratulating Traci Brimhall on being named a Kansas State University distinguished professor, congratulating Yoonseong Park on being named a Kansas State University distinguished professor;

Senator Steffen: congratulating the Hutchinson Community College Women's Basketball Team on winning the 2023-24 National Championship;

Senator Straub: congratulating the Barton Community College Men's Basketball Team on winning the 2023-24 National Championship; and

Senator Bowers and Senator Tyson: congratulating and commending the Glasco Locker Plant on its success at the KMPA Awards.

As provided by **HCR 5027**, Senator Alley moved the Senate adjourn Sine Die. The motion prevailed.

President Masterson there upon announced: "By virtue of the authority vested in me as President of the Senate, I now declare the 2024 Session of the Kansas Senate adjourned Sine Die."

CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks.*

COREY CARNAHAN, *Secretary of the Senate.*

MESSAGES FROM THE GOVERNOR

SB 27; H Sub SB 291, H Sub SB 318; SB 339, SB 414; H Sub SB 419 approved on May 9, 2024.

H Sub SB 287, H Sub SB 420; SB 500 approved on May 10, 2024.

REGARDING VETO OF HOUSE SUBSTITUTE FOR SENATE BILL 37

Kansans need responsible, comprehensive tax relief. As I said in my last veto statement of the Legislature's nearly identical tax bill, 'I cannot sign into law a bill that jeopardizes our state's future fiscal stability.

I have given the Legislature several roadmaps to fiscally responsible tax cuts since January. Instead, they played political games with reckless tax policies, and I vetoed them. I said irresponsible tax policies would lead to a special session.

So here we are. While I applaud the spirit of bipartisanship, this tax cut package, passed at the 11th hour of the last day of the Legislative session, misses the mark. Its proposed cuts and the excessive spending by the Legislature endanger all the progress we've made in restoring services for Kansans, funding our public schools, and investing in our infrastructure.

Additionally, to favor a specific business, a tax abatement scheme was floated to put taxpayer dollars into that business' pocket at the expense of local government services. That's wrong. Taxpayer dollars should not be diverted to political donors under the guise of tax cuts.

Kansans expect us to map a responsible future because we have come a long way, together. Our financial ratings have been upgraded. We have paid down debt. We paid \$224 million for new projects in cash, saving Kansans \$90 million in interest that would have otherwise accumulated through bonds. Education is being funded. We went from zero to a reasonable rainy-day fund for the inevitable emergencies we will face. Kansas is being noticed for its sense of responsibility. Don't toss all that.

The lack of a fiscally responsible tax cut bill jeopardizes other tax policy passed before adjournment, such as legislation to support Kansas' film and digital media industry. The Legislature cannot overpromise tax cuts without considering the overall cost to the state for future years. We cannot start with our expenses and then look at our income. Families and businesses do not budget like that; neither should Kansas.

Therefore, pursuant to Article 2, Section 14(a) of the Kansas Constitution, I hereby veto **House Substitute for Senate Bill 37, House Bill 2096, and House Bill 2097.**

LAURA KELLY, *Governor of Kansas*

Dated: May 16, 2024

The message was received on May 16, 2024. The veto message having been received after the Senate adjourned Sine Die, there was no opportunity to reconsider **H Sub SB 37.**

REGARDING VETO OF HOUSE SUBSTITUTE FOR SENATE BILL 172

While I agree that it is important for our state to implement stronger protections against foreign adversaries, this legislation contains multiple provisions that are likely unconstitutional and cause unintended consequences.

Many of the provisions in **House Substitute for Senate Bill 172** are overly broad

and not narrowly tailored to enhance our state's security while limiting the disruption of legitimate investment and business relationships. Additionally, the retroactive nature of this legislation raises further serious constitutional concerns. I am not willing to sign a bill that has the potential to hurt the state's future prosperity and economic development.

If the Legislature is serious about protecting Kansans from foreign adversaries, it should consider more narrow, forward-looking proposals that are focused on bad actors while ensuring legitimate business relationships with potential trading partners and small businesses are not impacted.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **House Substitute for Senate Bill 172**.

LAURA KELLY, *Governor of Kansas*

Dated: May 10, 2024

The message was received on May 10, 2024. The veto message having been received after the Senate adjourned Sine Die, there was no opportunity to reconsider **H Sub SB 172**.

REGARDING VETO OF HOUSE SUBSTITUTE FOR SUBSTITUTE FOR SENATE BILL 232

This divisive legislation has broad and sweeping implications that undermine the will of the majority of Kansans who voted overwhelmingly in 2022 to protect the constitutional rights of women to make decisions about pregnancy. This is another blatant attempt by extreme politicians in the Legislature to take more control over women and their families' personal, private medical decisions.

Kansans already made it very clear that they don't want lawmakers involved in personal matters. It's time we listen to them. As I have said before, I refuse to sign legislation that goes against the will of the majority of Kansans who voted on August 2, 2022.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **House Substitute for Substitute for Senate Bill 232**.

LAURA KELLY, *Governor of Kansas*

Dated: May 10, 2024

The message was received on May 10, 2024. The veto message having been received after the Senate adjourned Sine Die, there was no opportunity to reconsider **H Sub SB 232**.

REGARDING HOUSE SUBSTITUTE FOR SENATE BILL 387

It's always been my highest priority to ensure our students have the resources needed to be successful inside and outside the classroom and that we're preparing the next generation of Kansans to contribute to our growing economy and ever-changing workforce. For far too long, our state was failing at this endeavor because we failed to invest in our schools and students appropriately. Instead, students were subjected to four-day school weeks and crowded classrooms, preventing them from receiving the educational experience they deserved and are constitutionally entitled to.

Over the last six years, I've worked with the Legislature to fix a severely underfunded K-12 education system that lacked the resources needed to effectively prepare students for lifelong success. When I became Governor, my first order of business was to end the cycle of school finance litigation caused by years of underfunding. Reckless leadership and mismanagement of the state's finances made it impossible for the state to adequately fund our schools. Since then, we've seen how investment in our education system pays significant dividends for our entire state. Students now have more opportunities than ever to explore their educational and professional interests. Our commitment to fully funding public education better supports teachers, paraprofessionals, and administrators. More than anything, our increased investment has paid off as student test scores continue to increase across multiple measures.

House Substitute for Senate Bill 387 represents a continued commitment to our students and our schools. This bill fully funds public education for a sixth consecutive year, providing additional funding for the BASE State Aid in accordance with the *Gannon* mandate. Additionally, this bill provides \$75 million in new special education funding, enacting the first year of a phased-in approach for the state to meet its statutory obligation to fully fund special education. This funding will provide critical support to districts that have been shouldering the burden of the state's decade-long failure to meet its statutory obligation and ultimately its promise to the next generation of Kansans. With these additional funds, districts will be able to properly invest in special education educators and better support students with Individualized Education Plans. Investing in special education serves all students as it reduces the amount of general education funds that must be transferred to cover special education costs. This means districts can now consider increasing teacher salaries, expanding career and technical education opportunities, and supporting enhanced literacy instruction. While this funding is a critical first step, it is just a first step. We must continue to increase special education funding in future years. I appreciate the Legislature's willingness to collaborate on this funding increase and look forward to their continued commitment to our special education students and educators.

I am proud to sign **House Substitute for Senate Bill 387**, continuing my deep commitment to fully funding our schools and supporting our students. This bill exemplifies how, when we work together, we can find solutions that improve the experiences of Kansas students, invest in our educators, and benefit the entire state.

Therefore, pursuant to Article 2, Section 14(b) of the Constitution of the State of Kansas, I hereby return **House Substitute for Senate Bill 387** with my signature approving the bill, except for the item enumerated below.

School Safety and Security Grants Proviso

The portion of Sec. 2(a) that reads as follows has been line-item vetoed:

Provided, That expenditures shall be made by the above agency from the school safety and security grants account for fiscal year 2025 for disbursements of grant moneys approved by the state board of education for the: (1) Acquisition of automated external defibrillators and routine maintenance of such devices; (2) purchase and installation of security cameras that are compatible with the firearm detection software specified in paragraph (3); and (3) notwithstanding the provisions of K.S.A. 72-1151, and amendments thereto, or any other statute, acquisition and implementation of firearm detection software that: (A) Can reduce the threat and impact of gun violence by

providing a firearm detection software solution that integrates into existing security camera systems; (B) is designated as qualified anti-terrorism technology under the federal SAFETY act, 6 U.S.C. § 441 et seq.; (C) complies with industry standard information security frameworks, including ISO 27001 and SOC 2 type 2; (D) is managed through a constantly monitored operations center that is staffed by highly trained analysts to ensure rapid communication of possible threats to end users; (E) is developed in the United States without the use of any third-party or open-source data; (F) is protected by an awarded patent that includes a training database populated with frames of actual videos of firearms that were taken in relevant environments across diverse industries; (G) is utilized in at least 30 states with customers in the public and private sectors; (H) does not store, monetize or collect any biometric data or personally identifiable information; and (I) is able to detect three broad firearm classifications with a minimum of 300 subclassifications and has the ability to detect at least 2,000 permutations: *Provided further*, That all moneys expended for school safety and security grants for fiscal year 2025 shall be matched by the receiving school district on a \$1-for-\$1 basis from other moneys of the school district that may be used for such purpose: *And provided further*, That, notwithstanding the provisions of K.S.A. 75-3739, and amendments thereto, or any other statute, not less than 30 days following the effective date of this act, the above agency shall publish a list of the entities that provide firearm detection software that meets the requirements of paragraph (3).

The provision included in this section would significantly alter the current School Safety and Security Grant program—which currently provides critical financial support to schools improving their physical safety and employing school resource officers—into a no-bid contract by inserting requirements that eliminate nearly all potential competition. If enacted, schools would not be able to use these funds to invest in other school safety efforts, like purchasing updated communications systems, hiring more security staff, and making investing in physical infrastructure. While the goal of this provision to provide schools with the opportunity to secure new weapon detection systems is laudable, districts should be provided with the flexibility to use these funds to address needs that are of utmost priority to student safety. Absent this provision being enacted into law, I urge the Kansas State Department of Education to allow these funds to be granted to districts for the purchase of automated external defibrillators and the other allowable uses that were previously approved for this program. We must continue to work together to ensure our students have a safe, conducive environment for their learning. To do that, we should not hamstring districts by limiting this funding opportunity to services provided by one company.

LAURA KELLY, *Governor of Kansas*

Dated: May 15, 2024

The message was received on May 15, 2024. The veto message having been received after the Senate adjourned Sine Die, there was no opportunity to reconsider the line-item vetoes on **H Sub SB 387**.

COMMUNICATIONS FROM STATE OFFICERS

The following report was submitted to the Senate and is on file with the Secretary of the Senate:

2023 Annual Report, Kansas Judicial Branch

MESSAGES FROM THE HOUSE

The House adopts the Conference Committee report on **HB 2096**.

Announcing the House herewith transmits a veto message from the Governor on **HB 2614**, AN ACT concerning elections; relating to election crimes; requiring certain information be provided on advance voting ballot envelopes; directing county election officers to record the name of individuals returning advance voting ballots on behalf of another voter and the number of such ballots returned; requiring county election officers to file complaints if laws regulating the return of such ballots are violated; removing the requirement to provide the name of the treasurer of the sponsoring organization of a political advertisement; amending K.S.A. 25-1121, 25-1128, 25-2407 and 25-4156 and repealing the existing sections. Received on April, 19, 2024 and read on April 25, 2024.

“This bill is an attempt to disenfranchise Kansas voters by enacting burdensome and unnecessary requirements that are designed to restrict and suppress advanced voting. Kansans have a right to participate in our democracy, but time and again some politicians have tried to interfere in the voting process. I will continue to oppose efforts that place obstacles between voters casting their ballots and making their voices heard.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto House **Bill 2614**.”

Dated: April 19, 2024

LAURA KELLY, *Governor of Kansas*

There being no motion to reconsider **HB 2614**, the Speaker ruled the veto sustained.

Announcing the House herewith transmits a veto message from the Governor on **HB 2446**, AN ACT concerning cities and counties; prohibiting the regulation of plastic and other containers designed for the consumption, transportation or protection of merchandise, food or beverages. Received on April 12, 2024 and read on April 25, 2024

“I believe in local control and that local officials should be held accountable by their constituents, stakeholders, and businesses. This bill lacks sufficient protection to ensure local units of government are able to play a meaningful role in decision making on issues impacting their communities.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **House Bill 2446**.”

Dated: April 12, 2024

LAURA KELLY, *Governor of Kansas*

There being no motion to reconsider **HB 2446**, the Speaker ruled the veto sustained.

Announcing the House herewith transmits a veto message from the Governor on **HB 2532**, AN ACT concerning gaming; relating to parimutuel racing; concerning distribution of the tax on amounts wagered on historic horse races; amending K.S.A. 2023 Supp. 74-8823 and repealing the existing section. Received on April, 19, 2024 and read on April 25, 2024.

“This bill would inadvertently cause a tax increase on the currently approved historical horse racing facility in Wichita. While I support the underlying goal of this legislation, I believe a trailer bill is necessary to ensure that this inadvertent tax increase does not occur.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **House Bill 2532**.”

Dated: April 19, 2024

LAURA KELLY, *Governor of Kansas*

There being no motion to reconsider **HB 2532**, the Speaker ruled the veto sustained.

Announcing the House receipt of a line-item veto message from the Governor on **HB 2551**, AN ACT making and concerning appropriations for the fiscal years ending June 30, 2024, June 30, 2025, June 30, 2026, June 30, 2027, and June 30, 2028, for state agencies; authorizing and directing payment of certain claims against the state; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2023 Supp. 82a-955, as amended by section 193 of 2024 Senate Bill No. 28, and repealing the existing section. The message was received on May 16, 2024.

The House having adjourned Sine Die, there was no opportunity to reconsider **HB 2551** and the line item vetoes are sustained.

Announcing the House receipt of a veto message from the Governor on **HB 2096**, AN ACT concerning taxation; relating to income tax; establishing the veterans' valor property tax relief act and providing for an income tax credit or refund for eligible individuals; increasing the tax credit amount for household and dependent care expenses; modifying the definition of household income and increasing the appraised value threshold for eligibility of seniors and disabled veterans related to increased property tax claims and citing the section as the homeowners' property tax freeze program; relating to property tax; providing a rebate for certain business property operated in competition with property owned or operated by a governmental entity; providing exemptions for certain personal property including watercraft, marine equipment, off-road vehicles, motorized bicycles and certain trailers; excluding internal revenue code section 1031 exchange transactions as indicators of fair market value; providing for certain exclusions from the prohibition of paying taxes under protest after a valuation notice appeal; providing four prior years' values on the annual valuation notice; amending K.S.A. 79-213, 79-503a, 79-32,111c and 79-5501 and K.S.A. 2023 Supp. 79-1460, 79-2005 and 79-4508a and repealing the existing sections. The message was received on May 16, 2024.

The House having adjourned Sine Die, there was no opportunity to reconsider **HB 2096** and the veto is sustained.

Announcing the House receipt of a veto message from the Governor on **HB 2097**, AN ACT concerning taxation; enacting the Kansas film and digital media production development act; establishing an income tax credit and sales tax exemption program to be administered by the secretary of commerce for the purpose of developing film, video or digital production in Kansas; relating to income, privilege and premium tax credits; establishing a tax credit for employers that employ members of the Kansas army and air national guard and establishing an income tax credit for employees who are members thereof; requiring notices to be sent to inform such members of possible eligibility for the tax credit; relating to sales tax; providing a sales tax exemption for purchases by certain not-for-profit community theaters and purchases and sales made by the friends of cedar crest association; amending K.S.A. 2023 Supp. 79-3606 and repealing the existing section. The message was received on May 16, 2024.

The House having adjourned Sine Die, there was no opportunity to reconsider

HB 2097 and the veto is sustained.

The House announces the following bills and concurrent resolutions are hereby transmitted to the Senate with final disposition:

Senate Bills that died in House Committees: **SB 5, SB 6, SB 23, SB 33, SB 40, SB 53; Sub SB 55; SB 59; Sub SB 60; SB 98, SB 112, SB 130, SB 147; Sub SB 155; SB 248, SB 252, SB 297, SB 301, SB 311, SB 314, SB 315, SB 363, SB 367, SB 371, SB 376, SB 386, SB 391, SB 417, SB 426, SB 457, SB 480, SB 482, SB 484, SB 488, SB 493, SB 498; Sub SB 514; SB 524, SB 532, SB 539, SB 544, SB 552, SB 553**

Senate Bills that died on House Calendar: **SB 34, SB 91; H Sub SB 127, H Sub SB 219; SB 265, SB 272, SB 347**

Senate Bills that died in Conference: **SB 14, SB 338, SB 340, SB 398, SB 406, SB 423**

Senate Bills stricken by House Rule 1507: **SB 162; Sub SB 190, Sub SB 352**

Senate Concurrent Resolutions that died in House Committees: **SCR 1611, SCR 1620**

REPORT ON ENROLLED BILLS AND RESOLUTIONS

H Sub SB 387 reported correctly enrolled, properly signed and presented to the Governor on May 6, 2024.

SB 27; H Sub SB 37, H Sub SB 172, H Sub SB 287, H Sub SB 291, H Sub SB 318; SB 339, SB 414; H Sub SB 419; H Sub SB 420 reported correctly enrolled, properly signed and presented to the Governor on May 7, 2024.

