

Journal of the Senate

FIFTY-SECOND DAY

SENATE CHAMBER, TOPEKA, KANSAS
Friday, April 11, 2025, 9:30 a.m.

The Senate was called to order by President Ty Masterson.

The roll was called with 40 senators present.

President Masterson introduced guest chaplain, Doug Henkle, who delivered the following invocation:

Heavenly Father, thank You for the tremendous blessing it is to come before Your throne on this morning, the final day of the 2025 Kansas legislative session. As the work in this chamber concludes, I, again, pray for 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, despite our high-tech world and efficient procedures, people and our relationship with one another, remain the essential ingredient of life. Lord, I pray for friendly relations within this chamber today. Cause each member of this body to think before they speak, aware that their words may not be easily overlooked or 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 every Senator here, 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, we would love one another as You have loved us, despite differing views and approaches to the issues at hand.

I lift up President Masterson, Vice President Shallenburger, Majority Leader Blasi, and Minority Leader Sykes to You, Thank You for their leadership throughout this session. Continue to bless them with Your wisdom, Your knowledge, and Your understanding in the hours ahead, as they lead this chamber, this session, to a beneficial conclusion. In Jesus' name, Amen.

The Pledge of Allegiance was led by President Masterson.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bill was referred to Committee as indicated:

Federal and State Affairs: **SB 299**.

INTRODUCTION AND CONSIDERATION OF SENATE RESOLUTIONS

Senators Dietrich, Kloos, Schmidt and Titus introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1720—

A RESOLUTION congratulating and commending the 2024-2025 Washburn University men's basketball team for an outstanding season and qualification for the Final Four of the NCAA Division II Men's Basketball Championship.

WHEREAS, On March 27, 2025, the 5th ranked Washburn University men's basketball team completed an outstanding season by playing in the Final Four of the NCAA Division II Men's Basketball Championship, ending their historic season with a 30-4 record; and

WHEREAS, The victory over 10th ranked Lenore-Rhine University on March 25, 2025, in the Elite Eight earned the Ichabods a spot in the semi final and gave Ichabod Head Coach Brett Ballard his 200th career win as a coach; and

WHEREAS, The Ichabods won the NCAA Division II Central Regional, defeating 17th ranked Minnesota State University Moorhead 93-65; and

WHEREAS, The Ichabods won the MIAA regular season title, becoming the second team in program history to reach the 30-win mark; and

WHEREAS, Senior guard Jacob Hanna earned NABC All-District first team honors and NCAA Central Region Tournament Most Outstanding Player, sophomore guard Jack Bachelor earned NABC All-District second team honors and NCAA Central Region All-Tournament team, and Coach Ballard was named region coach of the year as well as MIAA Coach of the Year; and

WHEREAS, Five Ichabods earned all-MIAA honors, Jacob Hanna and Jack Bachelor were selected for the first team, sophomore Brayden Shorter was selected for the second team, senior Andrew Orr was selected for the third team; and

WHEREAS, Senior Michael Keegan was selected for the all-MIAA Defensive team; and

WHEREAS, The players and coaches of the 2024-2025 team will be remembered in the long and storied history of the Washburn University men's basketball program: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend the 2024-2025 Washburn University men's basketball team for an outstanding season and qualification for the Final Four of the NCAA Division II Men's Basketball Championship; and

Be it further resolved: That the Secretary of the Senate shall send 19 enrolled copies of this resolution to Senator Dietrich.

On emergency motion of Senator Dietrich **SR 1720** was adopted by voice vote.

MESSAGES FROM THE HOUSE

Announcing the House herewith transmits certificate of action by the House of Representatives on **Sub SB 29**, AN ACT concerning public health; removing the authorization for a county or joint board of health or local health officer to prohibit public gatherings when necessary for the control of infectious or contagious diseases; amending K.S.A. 65-119 and 65-129b and K.S.A. 2024 Supp. 65-101 and repealing the existing sections.

The veto message from the Governor having been received, a motion was made that not withstanding the Governor's objection to **Sub SB 29**, the bill be passed. By a vote of 86 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 House herewith transmits certificate of action by the House of Representatives on **SB 14**, AN ACT concerning the state budget; providing for a continuous budget until amended, lapsed or eliminated by the legislature; providing temporary reallocations; establishing conditions and limitations therefor; repealing section 1 of 2025 Senate Bill No. 14.

The veto message from the Governor having been received, a motion was made that not withstanding the Governor's objection to **SB 14**, the bill be passed. By a vote of 85 Yeas and 39 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 House herewith transmits certificate of action by the House of Representatives on **SB 5**, AN ACT concerning elections; relating to the transparency in revenues underwriting elections act; prohibiting the use of funds provided by the United States government for the conduct of elections and election-related activities unless approved by the legislature; amending K.S.A. 25-2436 and repealing the existing section.

The veto message from the Governor having been received, a motion was made that not withstanding the Governor's objection to **SB 5**, the bill be passed. By a vote of 87 Yeas and 37 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 House herewith transmits certificate of action by the House of Representatives on **SB 269**, AN ACT concerning taxation; relating to income and privilege taxes; providing that future tax rate decreases be contingent on exceeding revenue estimates and retaining a certain amount in the budget stabilization fund; amending K.S.A. 2024 Supp. 79-1107, 79-1108 and 79-32,110 and repealing the existing sections.

The veto message from the Governor having been received, a motion was made that not withstanding the Governor's objection to **SB 269**, the bill be passed. By a vote of 87 Yeas and 37 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.

The House adopts the Conference Committee report to agree to disagree on **SB 82**, and has appointed Representatives Smith, A., Turner and Sawyer as second conferees on the part of the House.

The House announces the appointment of Representatives Tarwater, Turk and Sawyer-Clayton as conferees on **SB 98** to replace Representatives Francis, Essex and Hegerson.

The House adopts the Conference Committee report on **HB 2045**.

The House adopts the Conference Committee report on **HB 2231**.
Announcing adoption of **HCR 5018**.

Announcing the House herewith transmits certificate of action by the House of Representatives on **SB 125**, AN ACT making and concerning appropriations for the fiscal years ending June 30, 2025, June 30, 2026, and June 30, 2027, for state agencies; authorizing and directing payment of certain claims against the state; authorizing certain capital improvement projects, assessments and fees; authorizing certain transfers; imposing certain restrictions and limitations; directing or authorizing certain disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2024 Supp. 2-223, 12-1775a, 12-5256, 65-180, 74-50,107, 74-8711, 74-99b34, 76-775, 76-7,107, 76-7,155, 76-7,157, 79-2989, 79-3425i, 79-34,171, 79-4804 and 82a-955 and repealing the existing sections. The bill, with the line item objections of the Governor, was received by the House on April 10, 2025 and read on April 10, 2025.

A motion was made on April 11, 2025 that, notwithstanding the Governor's objection, the line item vetos of Sections 46(a), 46(c), 47, 63(x), 72(b), 73(f), 76(a), 76(b), 83(a), 89(a), 89(aa), 92(a), 118(h), 188(i), 121(a), 135(a), 177(b), 187(h) be reconsidered.

By a vote of 88 Yeas and 34 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 items did pass.

No motion was made on the remainder of the line items and the vetoes were sustained.

The House adopts the Conference Committee report on **HB 2275**.

The House adopts the Conference Committee report on **HB 2335**.

The House adopts the Conference Committee report on **S Sub HB 2125**.

The House adopts the Conference Committee report on **SB 98**.

INTROUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HCR 5018 was thereupon introduced and read by title.

CONSIDERATION OF APPOINTMENTS

In accordance with Senate Rule 55, the following appointment submitted to the Senate for confirmation was considered:

Senator Blasi moved the following appointment:

By the Attorney General

On the appointment to the:

Kansas Crime Victims Compensation Board:

Rebecca Dickinson, Term ends March 15, 2029

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettay, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Tyson, Ware, Warren.

The appointment was confirmed.

CONSIDERATION OF ORIGINAL MOTIONS

Senator Blasi 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 98; S Sub Sub HB 2007; HB 2275, HB 2289, HB 2335.**

Senator Blasi moved to advance **SR 1716** to emergency final action subject to amendment, debate and a roll call. Motion carried.

Senator Bowser moved the Senate adopt **SR 1716.**

HCR 5018, A CONCURRENT RESOLUTION relating to the adjournment sine die of the Senate and House of Representatives during the 2025 regular session of the legislature.

On emergency motion of Senator Blasi, **HCR 5018** was adopted by voice vote.

EMERGENCY FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

SR 1716, A RESOLUTION approving an amendment to the gaming compact between the Sac and Fox Nation of Missouri in Kansas and Nebraska and the State of Kansas.

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

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettey, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Ware, Warren.

Nays: Tyson.

The resolution was adopted.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 24** 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 12 through 36;

By striking all on pages 2 through 52;

On page 53, by striking all in lines 1 through 11; following line 11, by inserting:

"Section 1. On and after July 1, 2026, K.S.A. 2024 Supp. 74-32,271 is hereby amended to read as follows: 74-32,271. (a) K.S.A. 2024 Supp. 74-32,271 et seq., and amendments thereto, shall be known and may be cited as the Kansas promise scholarship act.

(b) As used in the Kansas promise scholarship act:

(1) "Eligible postsecondary educational institution" means:

(A) Any community college or technical college established under the laws of this state and with a recognized service area;

(B) the Washburn institute of technology; ~~or~~

(C) any not-for-profit institution of postsecondary education with its main campus

or principal place of operation in Kansas that offers a promise eligible program, is operated independently and not controlled or administered by any state agency or subdivision of the state, maintains open enrollment and is accredited by a nationally recognized accrediting agency for higher education in the United States; or

(D) any institution of postsecondary education with its main campus or principal place of operation in Kansas that offers a promise eligible program, is recognized by the state board of regents, is accredited by a nationally recognized accrediting agency for higher education in the United States and is eligible to receive funding under title IV of the higher education act of 1965.

(2) "Military servicemember" means the same as defined in K.S.A. 2024 Supp. 48-3406, and amendments thereto.

(3) "Part-time student" means a student who is enrolled for six credit hours or more in the fall, summer or spring semester and is not enrolled as a full-time student.

(4) "Promise eligible program" means any two-year associate degree program or career and technical education certificate or stand-alone program offered by an eligible postsecondary educational institution that is:

(A) Approved by the state board of regents;

(B) high wage, high demand or critical need; and

(C) identified as a "promise eligible program" by the state board of regents pursuant to K.S.A. 2024 Supp. 74-32,272, and amendments thereto, or a "promise eligible program" within a field of study designated by an eligible postsecondary educational institution pursuant to K.S.A. 2024 Supp. 74-32,273, and amendments thereto.

Sec. 2. K.S.A. 2024 Supp. 74-32,274 is hereby amended to read as follows: 74-32,274. (a) Subject to appropriations, the amount of a Kansas promise scholarship for a student for each academic year shall be determined as follows:

(1) For a student enrolled in a promise eligible program offered by an eligible public postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, required fees and the cost of books and required materials for the promise eligible program at the eligible postsecondary educational institution for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such academic year.

(2) For a student enrolled in a promise eligible program offered by an eligible private postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1)(C), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, required fees and the cost of books and materials for such program for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such academic year, except that a scholarship awarded pursuant to this paragraph shall not exceed the average cost of tuition, required fees and the cost of books and required materials for such promise eligible program when offered by an eligible public postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto.

(b) Kansas promise scholarships shall only be awarded to an eligible student whose family household income equals \$100,000 or less for a family of one or two, \$150,000 or less for a family of three and, for household sizes above three, a household income

that is equal to or less than the family of three amount plus \$4,800 for each additional family member.

(c) (1) Kansas promise scholarship awards shall be used only to pay for up to a total of 68 promise scholarship funded credit hours or a total of \$20,000 in Kansas promise scholarship awards, whichever occurs first, over the lifetime of the student who received the Kansas promise scholarship award regardless of the eligible postsecondary educational institution such student attended.

(2) Kansas promise scholarship awards shall not be used to fund:

(A) Prerequisite classes required for a promise eligible program unless such classes are a designated course within the eligible program; or

(B) any remedial course, as defined in K.S.A. 76-7,151, and amendments thereto, unless such course is offered in a corequisite format.

(d) For each fiscal year, the appropriation made for the Kansas promise scholarship program shall not exceed ~~\$10,000,000~~ \$15,000,000.

(e) The state board of regents shall disburse funds based on reimbursement requests from eligible postsecondary educational institutions. Reimbursement requests shall be based on the actual amount of Kansas promise scholarship amounts awarded by an eligible postsecondary educational institution for the appropriate academic period. Any eligible postsecondary educational institution seeking reimbursement shall submit a reimbursement request to the state board of regents on or before September 1, December 1, March 1 and June 1 of each year. The state board of regents shall disburse the appropriate amount of funds to eligible postsecondary educational institutions on September 15, December 15, March 15 and June 15 each year.

(f) As used in this section, "aid" includes any grant, scholarship or financial assistance awards that do not require repayment. "Aid" does not include any military financial educational benefits or any family postsecondary savings account or other qualified tuition program established pursuant to section 529 of the internal revenue code of 1986, as amended.

Sec. 3. On and after July 1, 2026, K.S.A. 2024 Supp. 74-32,274, as amended by section 2 of this act, is hereby amended to read as follows: 74-32,274. (a) Subject to appropriations, the amount of a Kansas promise scholarship for a student for each academic year shall be determined as follows:

(1) For a student enrolled in a promise eligible program offered by an eligible public postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1)(A) or (B), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, required fees and the cost of books and required materials for the promise eligible program at the eligible postsecondary educational institution for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such academic year.

(2) For a student enrolled in a promise eligible program offered by an eligible private postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1)(C) or (D), and amendments thereto, the scholarship amount shall be the aggregate amount of tuition, required fees and the cost of books and materials for such program for the academic year in which the student is enrolled and receiving the scholarship minus the aggregate amount of all other aid awarded to such student for such academic year, except that a scholarship awarded pursuant to this paragraph shall not exceed the average cost of tuition, required fees and the cost of books and required

materials for such promise eligible program when offered by an eligible public postsecondary educational institution described in K.S.A. 2024 Supp. 74-32,271(b)(1) (A) or (B), and amendments thereto.

(b) Kansas promise scholarships shall only be awarded to an eligible student whose family household income equals \$100,000 or less for a family of one or two, \$150,000 or less for a family of three and, for household sizes above three, a household income that is equal to or less than the family of three amount plus \$4,800 for each additional family member.

(c) (1) Kansas promise scholarship awards shall be used only to pay for up to a total of 68 promise scholarship funded credit hours or a total of \$20,000 in Kansas promise scholarship awards, whichever occurs first, over the lifetime of the student who received the Kansas promise scholarship award regardless of the eligible postsecondary educational institution such student attended.

(2) Kansas promise scholarship awards shall not be used to fund:

(A) Prerequisite classes required for a promise eligible program unless such classes are a designated course within the eligible program; or

(B) any remedial course, as defined in K.S.A. 76-7,151, and amendments thereto, unless such course is offered in a corequisite format.

(d) For each fiscal year, the appropriation made for the Kansas promise scholarship program shall not exceed \$15,000,000.

(e) The state board of regents shall disburse funds based on reimbursement requests from eligible postsecondary educational institutions. Reimbursement requests shall be based on the actual amount of Kansas promise scholarship amounts awarded by an eligible postsecondary educational institution for the appropriate academic period. Any eligible postsecondary educational institution seeking reimbursement shall submit a reimbursement request to the state board of regents on or before September 1, December 1, March 1 and June 1 of each year. The state board of regents shall disburse the appropriate amount of funds to eligible postsecondary educational institutions on September 15, December 15, March 15 and June 15 each year.

(f) As used in this section, "aid" includes any grant, scholarship or financial assistance awards that do not require repayment. "Aid" does not include any military financial educational benefits or any family postsecondary savings account or other qualified tuition program established pursuant to section 529 of the internal revenue code of 1986, as amended.";

Also on page 53, in line 12, by striking all after "27."; by striking all in lines 13 and 14; in line 15, by striking all before "K.S.A."; also in line 15, by striking all after "Supp."; in line 16, by striking all before "hereby" and inserting "74-32,274 is"; following line 16, by inserting:

"Sec. 4. On and after July 1, 2026, K.S.A. 2024 Supp. 74-32,271 and 74-32,274, as amended by section 2 of this act, are hereby repealed.";

Also on page 53, in line 18, 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 7 and inserting "education; relating to the Kansas promise scholarship program; expanding the postsecondary educational institutions eligible to participate in such program; increasing the maximum appropriation for such program; amending"; in

line 8, by striking all after "Supp." and inserting "74-32,271, 74-32,274 and 74-32,274, as amended by section 2 of this act,"; in line 9, by striking "; also repealing K.S.A. 40-3217";

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

SUSAN ESTES, KYLE McNORTON—*Conferees on part of House*

RENEE ERICKSON, ADAM THOMAS—*Conferees on part of Senate*

Senator Erickson moved the Senate adopt the Conference Committee Report on **SB 24**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettey, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Tyson, Ware, Warren.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 82** 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, CARL TURNER—*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 **SB 82**, and requested a new conference be appointed.

The President appointed Senators Tyson, Peck and Corson as a second Conference Committee on the part of the Senate on **SB 82**.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 98** 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 18; following line 18, by inserting:

"New Section 1. For purposes of sections 1 through 3, and amendments thereto:

(a) "Commencement of construction" means the date that construction, reconstruction, enlargement or remodeling of a qualified data center by a qualified firm commences, as determined in the agreement required by section 2, and amendments thereto.

(b) "Commencement of operations" means the date that the qualified firm commences operations at a qualified data center, as determined in the agreement

required by section 2, and amendments thereto.

(c) "Data center equipment" means equipment or software purchased or leased for the processing, storage, retrieval or communication of data, regardless of whether the property is or is not affixed to or incorporated into real property, including the following:

(1) Servers, routers and connections and computer equipment, monitoring and security equipment or systems;

(2) equipment used in the operation of the qualified data center, including, but not limited to, backup generators, component parts, installations, refreshments, replacements and upgrades;

(3) all equipment necessary to cool and maintain a controlled environment for the operation of the computer servers and other components of the qualified data center, including, but not limited to, chillers, mechanical equipment, refrigerant piping, fuel piping and storage, adiabatic and free cooling systems, cooling towers, water softeners, air handling units, indoor direct exchange units, fans, ducting and filters;

(4) all water conservation systems, including facilities or mechanisms that are designed to collect, conserve and reuse water;

(5) all computer server equipment, chassis, networking equipment, switches, racks, fiber optic and copper cabling, trays and conduit;

(6) all conduit, ducting and fiber optic and copper cabling directly related to connecting one or more distributed qualified data center locations regardless of whether located inside or outside a data center;

(7) all software; and

(8) other personal property that is essential to the operations of a qualified data center, excluding such property used in the administration of the qualified data center.

(d) "Department" means the department of commerce.

(e) (1) "Eligible data center costs" means expenditures for the development, acquisition, construction and operation of a qualified data center by a qualified firm, including, but not limited to, costs of land, buildings, site improvements, data center equipment, data center equipment acquisition and permitting, lease payments, site characterization and assessment, engineering and design used directly and exclusively for a qualified data center.

(2) "Eligible data center costs" does not include the cost of electricity.

(f) "New jobs" means newly created jobs with a qualified firm at a qualified data center or directly associated with a qualified data center filled by Kansas residents and the primary work locations of such jobs are in Kansas.

(g) "Qualified data center" means one or more buildings that are constructed, reconstructed, enlarged, remodeled or leased to house a group of networked computer servers in this state to centralize the storage, management and dissemination of data and information pertaining to a particular business, taxonomy or body of knowledge and such buildings are connected to each other by fiber and associated equipment required for operating a fiber transmission network between data center buildings and internet points for the purpose of providing redundancy and resiliency for the data center services provided in each building.

(h) "Qualified firm" means a business or an affiliate thereof that is registered with the secretary of state and is engaged in the development, operation or leasing of a qualified data center. "Qualified firm" does not include a telecommunications carrier or

local exchange carrier as defined in K.S.A. 66-1,187, and amendments thereto, electing carrier as defined in K.S.A. 66-2005(x), and amendments thereto, wireless services provider as defined in K.S.A. 66-2019, and amendments thereto, or video service provider as defined in K.S.A. 12-2022, and amendments thereto.

(i) "Secretary" means the secretary of commerce.

New Sec. 2. (a) A qualified firm that makes an investment in eligible data center costs in a qualified data center of at least \$250,000,000 in the aggregate by the fifth year of operations and creates and maintains at least 20 new jobs at the qualified data center within two calendar years after the commencement of operations shall receive a sales tax exemption, as provided by K.S.A. 79-3606(xxxx), and amendments thereto, and section 3, and amendments thereto, for:

(1) Eligible data center costs of the qualified data center; and

(2) labor services to install, apply, repair, service, alter or maintain data center equipment.

(b) To be eligible to receive such sales tax exemption, a qualified firm shall:

(1) Submit an application to the secretary in the form and manner as required by the secretary;

(2) commit to an investment in eligible data center costs of at least \$250,000,000 in the qualified data center, to be completed by the fifth year of operations or on such earlier date as specified in the agreement pursuant to paragraph (6);

(3) commit to begin construction of the project within 10 years of the date of the agreement with the secretary or on such earlier date as specified in the agreement pursuant to paragraph (6);

(4) commit to purchase electricity for 10 years from the public utility that is certified to provide retail electric service in the territory where the qualified data center is located;

(5) commit to undertake practices that will conserve, reuse and replace water, including, but not limited to:

(A) Using water efficient fixtures and practices;

(B) treating, infiltrating and harvesting rainwater;

(C) recirculating and recycling water before discharging;

(D) partnering with state and local governmental entities and private individuals and entities to use discharged water for irrigation, water conservation or other beneficial purposes;

(E) using reclaimed water when possible; and

(F) supporting water restoration efforts in local watersheds; and

(6) if the application is approved by the secretary, enter into an agreement with the secretary upon such terms and conditions as the secretary may require, including the commitments or conditions required by paragraphs (2) through (5) and subsections (c) and (d)(1) and (2). The agreement shall be entered into before any sales tax exemption may be provided under this act.

(c) If it is determined by the secretary that the qualified firm has breached a term or condition of the agreement, the secretary shall provide written notice to the qualified firm as to which terms or conditions were breached and allow the qualified firm 120 days to cure the breached terms or conditions. If the breached terms or conditions have not been cured within such time, the secretary may require the qualified firm to repay all or a part of the amount of the sales tax exemption received, terminate the sales tax

exemption or suspend all or a part of the sales tax exemption until the breach is cured.

(d) As a condition of receiving the sales tax exemption, a qualified firm shall agree to:

(1) Cooperate with audits undertaken by the secretary of revenue as provided by subsection (f); and

(2) provide the secretary of commerce information required:

(A) For publication in the economic development incentive program information database pursuant to K.S.A. 74-50,226, and amendments thereto;

(B) for the secretary's report pursuant to K.S.A. 74-50,320, and amendments thereto; and

(C) by the secretary of commerce or the secretary of revenue pursuant to subsection (e)(1).

(e) (1) Every five years, the secretary may conduct a review of the activities undertaken by a qualified firm to ensure that the qualified firm remains in good standing with the state, is in compliance with the provisions of this act, any rules and regulations adopted by the secretary with respect to this act and any agreement entered into pursuant to this section and continues to meet the requirements for the sales tax exemption provided under this act. The secretary of commerce shall certify every five years to the secretary of revenue whether the qualified firm meets the criteria for designation as a qualified firm and is eligible for such sales tax exemption. The qualified firm shall provide the secretary of commerce all information reasonably necessary to determine such eligibility. Except as provided by paragraph (2), information obtained under this paragraph shall not be subject to disclosure pursuant to K.S.A. 45-215 et seq., and amendments thereto, unless such information is subject to disclosure pursuant to subsection (d)(1) or (2), but shall, upon request, be made available to the legislative post audit division. The provisions of this paragraph providing for confidentiality of records shall expire on July 1, 2030, unless the legislature reviews and acts to continue such provisions pursuant to K.S.A. 45-229, and amendments thereto, prior to July 1, 2030.

(2) If, in the judgment of the secretary, any confidential information, trade secret or other information obtained under this section would place the qualified firm at a disadvantage in the marketplace or would significantly interfere with the purposes of this act, if known, shall not be subject to disclosure pursuant to K.S.A. 45-215 et seq., and amendments thereto, but shall, upon request, be made available to the legislative post audit division. The provisions of this paragraph providing for confidentiality of records shall expire on July 1, 2030, unless the legislature reviews and acts to continue such provisions pursuant to K.S.A. 45-229, and amendments thereto, prior to July 1, 2030.

(f) The books and records that pertain to eligibility for benefits or compliance with the requirements of this act shall be available for inspection by the secretary or the secretary's duly authorized agents or employees during business hours on at least 60 days' prior written notice. The secretary may request the department of revenue to audit the qualified firm, or a third party if applicable, for compliance with the provisions of this act.

(g) The secretary of commerce shall certify to the secretary of revenue when the qualified firm has met the conditions to receive a sales tax exemption as provided by sections 3 and 4, and amendments thereto, and shall provide notice when the sales tax

exemption is modified, suspended or terminated pursuant to subsection (c).

(h) The secretary of commerce or the secretary of revenue may adopt rules and regulations for the implementation of this act.

New Sec. 3. (a) On and after July 1, 2025, a qualified firm that meets the requirements of section 2, and amendments thereto, may be eligible for a sales tax exemption as provided by this section and the provisions of K.S.A. 79-3606(xxxx), and amendments thereto.

(b) The sales tax exemption shall be valid for 20 years after the date of commencement of operations.

(c) No sales tax exemption shall be approved by the secretary of revenue unless the qualified firm has been certified by the secretary of commerce, as provided in section 2, and amendments thereto, as meeting all requirements of this act, the rules and regulations of the secretary, if any, and the agreement executed pursuant to section 2, and amendments thereto.

(d) A sales tax exemption shall be revoked, suspended or modified by the secretary of revenue as requested by the secretary of commerce upon notification by the secretary of commerce as provided by section 2(c) and (g), and amendments thereto.

New Sec. 4. (a) Prior to awarding any public financial assistance or benefits to a qualified data center project, including, but not limited to, the sales tax exemption established pursuant to K.S.A. 79-3606(xxxx), and amendments thereto, and sections 1 through 3, and amendments thereto, the secretary of commerce shall seek and receive approval from the fusion center oversight board established pursuant to K.S.A. 48-3705, and amendments thereto.

(b) Upon receipt of an application from the secretary of commerce, the Kansas intelligence fusion center shall evaluate the equipment and associated software of the qualified data center for potential security threats to critical infrastructure and advise the fusion center oversight board of any risks associated with such equipment and associated software.

(c) The fusion center oversight board may approve the project, recommend or require changes to protect critical infrastructure or deny such project if the qualified data center, as configured, would pose a threat to the critical infrastructure of the state of Kansas.

(d) As used in this section, "qualified data center" means the same as defined in section 1, and amendments thereto.

Sec. 5. K.S.A. 2024 Supp. 66-101j is hereby amended to read as follows: 66-101j.

(a) Notwithstanding the provisions of K.S.A. 66-101b or 66-109, and amendments thereto, the commission shall authorize an electric public utility to implement economic development rate schedules that provide discounts from otherwise applicable standard rates for electric service for new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public. To be eligible for such discounts, such customer shall:

(1) Have incentives from one or more local, regional, state or federal economic development agencies to locate such new or expanded facilities in the electric public utility's certified service territory;

(2) qualify for service under the electric public utility's non-residential and non-lighting rate schedules for such new or expanded facility; and

(3) not receive the discount together with service provided by the electric public

utility pursuant to any other special contract agreements.

(b) The discount authorized by this section shall only be applicable to new facilities or expanded facilities that have:

(1) A peak demand that is reasonably projected to be at least 200 kilowatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:

(A) Has an annual load factor that is reasonably projected to equal or exceed the electric public utility's annual system load factor within two years of the date the customer first receives service under the discounted rate; or

(B) otherwise warrants a discounted rate based on any of the following factors:

(i) The number of new permanent full-time jobs created or the percentage increase in existing permanent full-time jobs created;

(ii) the level of capital investment;

(iii) additional off-peak usage;

(iv) curtailable or interruptible load;

(v) new industry or technology; or

(vi) competition with existing industrial customers;

(2) a peak demand that is reasonably projected to be at least 300 kilowatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:

(A) An annual load factor that is reasonably projected to be at least 55% within two years of the date the customer first receives service under the discounted rate; and

(B) the facility shall, once first achieved, maintain the peak demand and load factor for the remaining duration of the discounted rate; or

(3) a peak demand that is reasonably projected to be at least 25 megawatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:

(A) An annual load factor that is reasonably projected to be at least 55% within two years of the date the customer first receives service under the discounted rate; and

(B) the facility shall, once first achieved, maintain the peak demand and load factor for the remaining duration of the discounted rate.

(c) A customer shall not be eligible for the discount authorized by this section for any new or expanded facility that is a qualified data center as defined in section 1, and amendments thereto.

(d) The discount authorized by this section shall be determined by reducing otherwise applicable charges associated with the rate schedule applicable to the new or expanded existing facility by a fixed percentage for each year of service under the discount for a period of up to:

(1) Five years to facilities that qualify pursuant to subsection (b)(1) or (b)(2); and

(2) 10 years to facilities that qualify pursuant to subsection (b)(3).

~~(d)(c)~~ (1) For discounts to facilities that qualify pursuant to subsection (b)(1), the average of the annual discount percentages shall not exceed 20%, except that such discounts may be between 5% to 30% in any year of such five-year period.

(2) For discounts to facilities that qualify pursuant to subsection (b)(2), the average

of the annual discount percentages shall not exceed 40%, except that such discounts may be between 20% and 50% in any year of such five-year period.

(3) For discounts to facilities that qualify pursuant to subsection (b)(3), the average of the annual discount percentages shall not exceed:

(A) For the first five years of the discount period, 40%, except that such discounts may be between 20% to 50% in any year of such five-year period; and

(B) for the final five years of the discount period, 20%, except that such discounts may be between 10% and 30% in any year of such five-year period.

~~(e)(f)~~ (1) Except as provided in paragraph (2), on and after July 1, 2024, the difference in revenues generated by applying the discounted rates authorized pursuant to this section and the revenues that would have been generated without such discounts shall not be imputed into the electric public utility's revenue requirement.

(2) Any reduction in revenue resulting from any discount provided pursuant to this section that was tracked by the public utility and deferred to a regulatory asset prior to July 1, 2024, shall be recoverable in any general rate proceeding initiated on or after July 1, 2024, through an equal percentage adjustment to the revenue requirement responsibility for all customer classes of the public utility, including the customer classes that include customers qualifying for discounts pursuant to this section.

~~(f)(g)~~ The provisions of this section shall not apply to rates for service provided to customers under contract rates approved by the commission pursuant to K.S.A. 2024 Supp. 66-101i, and amendments thereto, or the commission's general ratemaking authority according to custom and practice of the commission in place prior to the effective date of this section.

~~(g)(h)~~ Starting in January 2023, the commission shall biennially provide a status report to the legislature about any discounts from tariffed rates authorized pursuant to this section. Such report shall include the:

- (1) Number of entities with such discounts;
- (2) number of entities with increased load;
- (3) number of entities with decreased load;
- (4) aggregate load and change in aggregate load on an annual basis;
- (5) total subsidy and the subsidy for each individual contract;
- (6) annual and cumulative rate impact on non-contract rate customers; and
- (7) estimated economic development impact of entities with discounted rates that occurred as a result of such discounts through an evaluation of the annual: (A) Total employment for such entities; (B) change in employment for such entities; and (C) tax revenue generated by such entities.

~~(h)(i)~~ An electric public utility shall be authorized to only implement discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2030, except that, upon application by such public utility, the commission may authorize the public utility to continue to implement such discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2036. Any such application shall be filed with the commission on or before December 31, 2028. The commission shall issue a determination on an application filed pursuant to this subsection within 240 days of the date that such application is filed. If requested by the public utility, an intervenor in the application docket or commission staff, the commission shall hold a hearing on such application. When considering and making a determination upon such application, the commission

may consider factors that the commission deems just and reasonable and condition the commission's determination on any factors that are relevant to the discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3). If the commission denies the public utility's application, such denial shall only act to prohibit the public utility from implementing discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) after December 31, 2030, and shall not otherwise affect or terminate any discounted rates implemented by the public utility pursuant to this section or any regulatory or ratemaking treatment of such discounted rates.

~~(b)(1)~~ (i) For the purposes of this section:

(1) "Electric public utility" means the same as defined in K.S.A. 66-101a, and amendments thereto, but does not include any such utility that is a cooperative as defined in K.S.A. 66-104d, and amendments thereto, or owned by one or more such cooperatives;

(2) "expanded facility" means a separately metered facility of the customer, unless the utility determines that the additional costs of separate metering of such facility would exceed the associated benefits or that it would be difficult or impractical to install or read the meter, that has not received service in the electric utility's certified service territory in the previous 12 months; and

(3) "new facility" means a building of the customer that has not received electric service in the electric utility's certified service territory in the previous 12 months.

Sec. 6. K.S.A. 2024 Supp. 79-3606 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 pharmacopeia 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

eration 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;

(III) 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;

(iii) 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;

(j) 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. 2024 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. 2024 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;

(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 K.S.A. 2024 Supp. 79-32,316, and amendments thereto, to perform any available medical procedures-; and

(xxxx) all sales of tangible personal property or services purchased for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a qualified data center by a qualified firm that meets the requirements established in sections 1 through 3, and amendments thereto, and has been approved and certified for a project exemption certificate by the secretary of commerce, the sale and installation of machinery and data center equipment and eligible data center costs purchased by such qualified firm for such qualified data center and labor services to install, apply, repair, service, alter or maintain data center equipment of such qualified firm at such qualified data center. When a person contracts for the construction, reconstruction, enlargement or remodeling of any such qualified data center, 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 such purchases bearing the number of such certificates. Upon completion of the project, the contractor shall furnish to the owner of the qualified firm 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 thereof, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. As used in this subsection, "data center equipment," "eligible data center costs," "qualified data center" and "qualified firm" mean the same as defined in section 1, and amendments thereto.

Sec. 7. K.S.A. 2024 Supp. 66-101j and 79-3606 are hereby repealed.";

Also on page 2, in line 20, 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 line 2; in line 3, by striking "plate" and inserting "data centers; relating to economic development; providing a sales tax exemption for the construction or remodeling of a qualified data center in Kansas, the purchase of data center equipment, eligible data center costs and certain labor costs to qualified firms that commit to a minimum investment of \$250,000,000 and meet new Kansas jobs and other requirements; prohibiting public utilities from authorizing discounted economic development electric rates for customers that construct new or expanded facilities that are data centers; requiring qualified data centers to be reviewed and approved by the Kansas intelligence fusion center prior to awarding public financial assistance or benefits; amending K.S.A. 2024 Supp. 66-101j and 79-3606 and repealing the existing sections";

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

SEAN TARWATER, ADAM TURK, STEPHANIE SAWYER CLAYTON—*Conferees on part of the House*
LARRY ALLEY, STEPHEN OWENS, MARY WARE—*Conferees on part of Senate*

Senator Owens moved the Senate adopt the Conference Committee Report on **SB 98**.

On roll call, the vote was: Yeas 26; Nays 8; Present and Passing 0; Absent or Not Voting 6.

Yeas: Alley, Argabright, Blew, Bowers, Bowser, Clifford, Corson, Dietrich, Erickson, Fagg, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Owens, Petersen, Pettey, Rose, Ryckman, Schmidt, Starnes, Sykes, Thomas, Ware.

Nays: Blasi, Francisco, Murphy, Peck, Shane, Thompson, Titus, Tyson.

Absent or Not Voting: Billinger, J.R. Claeys, Joseph Claeys, Faust Goudeau, Shallenburger, Warren.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **S Sub HB 2125** 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 Substitute for House Bill No. 2125, as follows:

On page 1, following line 14, by inserting:

"Section 1. K.S.A. 2024 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 mills in the school years ~~2023-2024~~ 2025-2026 and ~~2024-2025~~ 2026-2027.

(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. 2. K.S.A. 74-2438a is hereby amended to read as follows: 74-2438a. (a)

Except as provided in subsection (e), the executive director of the state board of tax appeals shall charge and collect a filing fee, established by rules and regulations adopted by the state board of tax appeals, for any appeal in any proceeding under the tax protest, tax grievance or tax exemption statutes or in any other original proceeding for such board to recover all or part of the costs of processing such actions incurred by the state board of tax appeals.

(b) The COTA filing fee fund is hereby renamed the BOTA filing fee fund.

(c) The executive director of the board of tax appeals shall remit to the state treasurer at least monthly all tax appeal filing fees received by the state board of tax appeals. Upon receipt of any such remittance, the state treasurer shall deposit the amount in the state treasury to the credit of the BOTA filing fee fund.

(d) All expenditures from the BOTA filing 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 executive director of the state board of tax appeals or a person or persons designated by such executive director.

(e) No filing fee of any kind shall be charged by the executive director to:

(1) A taxpayer who has filed an appeal for a previous year that has not been decided by the board and is ~~beyond the time period prescribed by K.S.A. 74-2426, and amendments thereto~~ still pending before the board at the time another appeal is filed for the same parcel;

(2) any taxpayer filing in regard to single-family residential property for a refund of protested taxes under the provisions of K.S.A. 79-2005, and amendments thereto, or an appeal from a decision rendered pursuant to K.S.A. 79-1448, and amendments thereto;

(3) any not-for-profit organization if the valuation of the property that is the subject of the controversy does not exceed \$100,000; or

(4) any municipality or political subdivision of the state.";

On page 5, in line 24, by striking "tax rate" and inserting "mill levy"; in line 27, after "rate" by inserting "in mills"; in line 36, by striking the second "rate" and inserting "mill levy"; in line 42, after the semicolon by inserting "and";

On page 6, in line 3, by striking "; and"; by striking all in lines 4 through 8; in line 9, by striking all before the period; in line 10, before "Although" by inserting "The columns described in subparagraphs (D) through (G) shall include a total of the amounts at the end of each column. For each taxing subdivision, the notice shall include the total amount of revenue from the property tax levy for the previous year, the proposed total amount of revenue from the property tax levy for the current year and the difference or change between such amounts, reflected in dollars and a percentage.";

On page 9, by striking all in lines 9 through 29; following line 29, by inserting:

"Sec. 7. K.S.A. 2024 Supp. 79-2989, as amended by section 204 of 2025 Senate Bill No. 125, is hereby amended to read as follows: 79-2989. (a) For calendar years 2024 ~~and~~, 2025 ~~and~~ 2026, if a county clerk has printing or postage costs pursuant to K.S.A. 2024 Supp. 79-2988, and amendments thereto, the county clerk shall notify and provide documentation of such costs to the secretary of revenue. The secretary of revenue shall certify the amount of moneys attributable to such costs and shall transmit a copy of such certification to the director of accounts and reports. Upon such receipt of such certification, the director of accounts and reports shall transfer an amount of moneys equal to such certified amount from the state general fund to the taxpayer notification costs fund of the department of revenue. The secretary of revenue shall

transmit a copy of each such certification to the director of legislative research and the director of the budget.

(b) There is hereby established in the state treasury the taxpayer notification costs fund that shall be administered by the secretary of revenue. All expenditures from the taxpayer notification costs fund shall be for the purpose of paying county printing and postage costs pursuant to K.S.A. 2024 Supp. 79-2988, and amendments thereto. All expenditures from such fund shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of revenue or the secretary's designee.";

Also on page 9, in line 30, before "K.S.A" by inserting "K.S.A. 74-2438a and"; also in line 30, after "Supp." by inserting "72-5142,"; in line 31, after "79-2989" by inserting ", as amended by section 204 of 2025 Senate Bill No. 125,"; in line 33, by striking "statute book" and inserting "Kansas register";

And by renumbering sections accordingly;

On page 1, in the title, in line 10, by striking "years 2025 and" and inserting "year"; also in line 10, after the semicolon by inserting "prohibiting a filing fee when a previous appeal remains pending before the board of tax appeals; authorizing the continuation of the 20-mill statewide property tax levy for schools,"; in line 11, after "amending" by inserting "K.S.A. 74-2438a and"; also in line 11, after "Supp." by inserting "72-5142,"; in line 12, after "79-2989" by inserting ", as amended by section 204 of 2025 Senate Bill No. 125,";

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

CARYN TYSON, VIRGIL PECK, ETHAN CORSON—*Conferees on part of Senate*

ADAM SMITH, CARL TURNER, TOM SAWYER—*Conferees on part of House*

Senator Tyson moved the Senate adopt the Conference Committee Report on **S Sub HB 2125**.

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

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettay, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Titus, Tyson, Ware, Warren.

Nays: Thompson.

The Conference Committee Report was adopted.

EXPLANATION OF VOTE

The voters of my district, and across Kansas, elected us to rein in out-of-control property taxes that are forcing seniors out of their homes, creating an impediment to home ownership for young people. High property taxes are contributing to financial stress and duress on homeowners, renters, and business owners, and inhibiting economic growth. Eliminating the statewide 20 mils is not the property tax relief I hoped for this legislative session, but at this session ends, it appears to be the only meaningful vote I can make to demonstrate that I am devoted to providing true, meaningful relief for my constituents. The Senate worked hard to provide property tax relief. I want to commend the hard work of the Senate Leadership, Tax Chairwoman

Tyson and the Senate Tax committee who have been devoted to fixing this untenable problem. The lack of a solution this session has not been for the lack of their attempts to provide relief. Nevertheless, we go home to some very disappointed constituents who are pleading for help, and I hope we can get more done in 2026. I vote "NO".—MIKE THOMPSON

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2007** 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 Substitute for House Bill No. 2007 with Senate Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 13 through 35;

By striking all on pages 2 through 375;

On page 376, by striking all in lines 1 through 32; following line 32, by inserting:

"Section 1. K.S.A. 2024 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 K.S.A. 2024 Supp. 8-1,221 or 8-1,222, 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. 2024 Supp. 8-1,211 and 8-1,219, 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. 2. K.S.A. 17-7929, as amended by section 4 of 2025 House Bill No. 2117, is hereby amended to read as follows: 17-7929. (a) The resident agent of a covered entity, including a resident agent that no longer qualifies to be a resident agent under K.S.A. 17-7925, and amendments thereto, may resign without appointing a successor by paying a fee if authorized by law, as provided by K.S.A. 17-7910, and amendments thereto, and

filing a certificate of resignation, with the secretary of state stating that the resident agent resigns as resident agent for the covered entity or entities identified in the certificate, but such resignation shall not become effective until 30 days after the certificate is filed. The certificate shall be executed by the resident agent, shall contain a statement that written notice of resignation was given to ~~each affected~~ the covered entity at least 30 days prior to the filing of the certificate by mailing or delivering such notice to the covered entity at its address last known to the resident agent and shall set forth the date of such notice. The certificate shall also include the postal address and name and contact information of an officer, director, employee or designated agent who is then authorized to receive communications from the resident agent with respect to the affected covered entities last known to the resident agent.

(b) After receipt of the notice of the resignation of its resident agent, provided for in subsection (a), any covered entity for which such resident agent was acting shall obtain and designate a new resident agent to take the place of the resident agent so resigning. Such covered entity shall pay a fee if authorized by law, as provided by K.S.A. 17-7910, and amendments thereto, and file with the secretary of state a certificate setting forth the name and postal address of the successor resident agent. Upon such filing, the successor resident agent shall become the resident agent of such covered entity and the successor resident agent's postal address, as stated in such certificate, shall become the postal address of the covered entity's registered office in this state. If such covered entity fails to obtain and designate a new resident agent as aforesaid, prior to the expiration of the period of 60 days after the filing by the resident agent of the certificate of resignation, the secretary of state shall declare the entity's organizing documents forfeited.

(c) After the resignation of the resident agent shall have become effective, as provided in subsection (a), and if no new resident agent shall have been obtained and designated in the time and manner provided for in subsection (b), service of legal process against the covered entity, or in the case of a domestic or foreign limited liability company, any series of such limited liability company, for which the resigned resident agent had been acting shall thereafter be upon the secretary of state in the manner prescribed by K.S.A. 60-304, and amendments thereto.

(d) Any covered entity affected by the filing of a certificate under this section shall not be required to take any further action to amend its public organic documents to reflect a change of registered office or resident agent.

Sec. 3. K.S.A. 25-4180, as amended by section 1 of 2025 House Bill No. 2106, is hereby amended to read as follows: 25-4180. (a) Every person who engages in any activity promoting or opposing the adoption or repeal of any provision of the constitution of the state of Kansas and who accepts moneys or property for the purpose of engaging in such activity shall make an annual report to the secretary of state of individual contributions or contributions in kind in an aggregate amount or value in excess of \$50 received during the preceding calendar year for such purposes. The report shall show the name and address of each contributor for the activity and the amount or value of the individual contribution made, together with a total value of all contributions received, and also shall account for expenditures in an aggregate amount or value in excess of \$50 from such contributions, by showing the amount or value expended to each payee and the purpose of each such expenditure, together with a total value of all expenditures made. Each person who submits a report shall certify that:

(1) Such person has not knowingly accepted contributions or expenditures either directly or indirectly from a foreign national; and

(2) each donor named in such report is not a foreign national and has not knowingly accepted contributions or expenditures either directly or indirectly from any foreign national that in the aggregate exceed \$100,000 within the four-year period immediately preceding the date of such donor's contribution or expenditure. The annual report shall be filed on or before February 15 of each year for the preceding calendar year.

(b) Each person who accepts contributions or expenditures as described in subsection (a) shall require each donor to certify that such donor is not a foreign national and has not knowingly accepted contributions or expenditures either directly or indirectly from any foreign national that in the aggregate exceed \$100,000 within the four-year period immediately preceding the date of such donor's contribution or expenditure.

(c) Each person making an independent expenditure for any activity promoting or opposing the adoption or repeal of any provision of the constitution of the state of Kansas shall, within 48 hours of making such expenditure, certify to the commission that such person has not knowingly accepted any moneys either directly or indirectly from any foreign national that in the aggregate exceed \$100,000 within the four-year period immediately preceding the date of such person's expenditure and shall not accept any such moneys during the remainder of the calendar year in which the question of amending the constitution of the state of Kansas is on the ballot.

(d) (1) No person shall accept, directly or indirectly, any contribution or expenditure from a foreign national made for any activity promoting or opposing the adoption or repeal of any provision of the constitution of the state of Kansas.

(2) The attorney general may prosecute any person who violates this subsection. Any person who believes the provisions of this subsection have been violated may file a complaint with the attorney general.

(3) In any civil action brought by the commission or the attorney general against a person who violates this subsection, the court may award injunctive relief sufficient to prevent any subsequent violations of this subsection by such person and statutory damages of not to exceed an amount that is twice the amount of the prohibited contribution or expenditure.

(e) As used in this section, "foreign national" means:

(1) An individual who is not a citizen or lawful permanent resident of the United States;

(2) a government or subdivision of a foreign country or municipality thereof;

(3) a foreign political party;

(4) any entity, such as a partnership, association, corporation, organization or other combination of persons, that is organized under the laws of, or has its principal place of business in, a foreign country; or

(5) any United States entity, such as a partnership, association, corporation or organization, that is wholly or majority-owned by any foreign national, unless: (1) Any contribution or expenditure that such entity makes is derived entirely from funds generated by such United States entity's United States operations; and (2) all decisions concerning the contribution or expenditure are made by individuals who are United States citizens or permanent residents, except for setting overall budget amounts.

(f) In addition to the annual report, a person engaging in an activity promoting the adoption or repeal of a provision of the Kansas constitution who accepts any contributed moneys for such activity shall make a preliminary report to the secretary of state 15 days prior to each election at which a proposed constitutional amendment is submitted. Such report shall show the name and address of each individual contributor, together with the amount contributed or contributed in kind in an aggregate amount or value in excess of \$50, the expenditures in an aggregate amount or value in excess of \$50 from such contributions, by showing the amount paid to each payee, and the purpose of the expenditure. A supplemental report in the same format as the preliminary report shall be filed with the secretary of state within 15 days after any election on a constitutional proposition where contributed funds are received and expended in opposing or promoting such proposition.

(g) Any person who engages in any activity promoting or opposing the adoption or repeal of any provision of the Kansas constitution shall be considered engaged in such activity upon the date that the concurrent resolution passes the Kansas house of representatives and the senate in its final form. Upon such date, if the person has funds in the constitutional amendment campaign treasury, such person shall be required to report such funds as provided by this section.

(h) (1) The commission shall send a notice by registered or certified mail to any person failing to file any report required by subsection (a), (f) or (g) within the time period prescribed therefor. The notice shall state that the required report has not been filed with the office of the secretary of state. The notice also shall state that such person shall have 15 days from the date that such notice is deposited in the mail to comply with the reporting requirements before a civil penalty shall be imposed for each day that the required documents remain unfiled. If such person fails to comply within the prescribed period, such person shall pay to the state a civil penalty of \$10 per day for each day that such report remains unfiled, except that no such civil penalty shall exceed \$300. The commission may waive, for good cause, payment of any civil penalty imposed by this section.

(2) Civil penalties provided for by 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 ~~governmental ethics~~ Kansas public disclosure commission fee fund.

(3) If a person fails to pay a civil penalty provided for by this section, it shall be the duty of the commission to bring an action to recover such civil penalty in the district court of the county in which such person resides.

(i) The intentional failure to file any report required by subsection (a) is a class A misdemeanor.

(j) This section shall be a part of and supplemental to the campaign finance act.

Sec. 4. K.S.A. 2024 Supp. 39-923 is hereby amended to read as follows: 39-923.

(a) As used in this act:

(1) "Adult care home" means any nursing facility, nursing facility for mental health, intermediate care facility for people with intellectual disability, assisted living facility, residential healthcare facility, home plus, boarding care home and adult day care facility, all of which are classifications of adult care homes and are required to be licensed by the secretary for aging and disability services.

(2) "Nursing facility" means any place or facility operating 24 hours a day, seven days a week, caring for six or more individuals not related within the third degree of relationship to the administrator or owner by blood or marriage and who, due to functional impairments, need skilled nursing care to compensate for activities of daily living limitations.

(3) "Nursing facility for mental health" means any place or facility operating 24 hours a day, seven days a week, caring for six or more individuals not related within the third degree of relationship to the administrator or owner by blood or marriage and who, due to functional impairments, need skilled nursing care and special mental health services to compensate for activities of daily living limitations.

(4) "Intermediate care facility for people with intellectual disability" means any place or facility operating 24 hours a day, seven days a week, caring for four or more individuals not related within the third degree of relationship to the administrator or owner by blood or marriage and who, due to functional impairments caused by intellectual disability or related conditions, need services to compensate for activities of daily living limitations.

(5) "Assisted living facility" means any place or facility caring for six or more individuals not related within the third degree of relationship to the administrator, operator or owner by blood or marriage and who, by choice or due to functional impairments, may need personal care and supervised nursing care to compensate for activities of daily living limitations and in which the place or facility includes apartments for residents and provides or coordinates a range of services including personal care or supervised nursing care available 24 hours a day, seven days a week, for the support of resident independence. The provision of skilled nursing procedures to a resident in an assisted living facility is not prohibited by this act. Generally, the skilled services provided in an assisted living facility shall be provided on an intermittent or limited term basis, or if limited in scope, a regular basis.

(6) "Residential healthcare facility" means any place or facility, or a contiguous portion of a place or facility, caring for six or more individuals not related within the third degree of relationship to the administrator, operator or owner by blood or marriage and who, by choice or due to functional impairments, may need personal care and supervised nursing care to compensate for activities of daily living limitations and where such place or facility includes individual living units and provides or coordinates personal care or supervised nursing care available 24 hours a day, seven days a week for the support of resident independence. The provision of skilled nursing procedures to a resident in a residential healthcare facility is not prohibited by this act. Generally, the skilled services provided in a residential healthcare facility shall be provided on an intermittent or limited term basis, or if limited in scope, a regular basis.

(7) "Home plus" means any residence or facility caring for not more than 12 individuals not related within the third degree of relationship to the operator or owner by blood or marriage unless the resident in need of care is approved for placement by the secretary for children and families, and who, due to functional impairment, needs personal care and may need supervised nursing care to compensate for activities of daily living limitations. The level of care provided to residents shall be determined by preparation of the staff and rules and regulations developed by the Kansas department for aging and disability services. An adult care home may convert a portion of one wing of the facility to a not less than five-bed but not more than 12-bed home plus facility if

the home plus facility remains separate from the adult care home and each facility remains contiguous. Any home plus that provides care for more than eight individuals after the effective date of this act shall adjust staffing personnel and resources as necessary to meet residents' needs in order to maintain the current level of nursing care standards. Personnel of any home plus who provide services for residents with dementia shall be required to take annual dementia care training.

(8) "Boarding care home" means any place or facility operating 24 hours a day, seven days a week, caring for not more than 10 individuals not related within the third degree of relationship to the operator or owner by blood or marriage and who, due to functional impairment, need supervision of activities of daily living but who are ambulatory and essentially capable of managing their own care and affairs.

(9) "Continuing care retirement community" means any place or facility that combines a range of housing and services to encompass the continuum of aging care needs provided at an independent living facility, an assisted living facility, a residential healthcare facility, home plus or a skilled nursing care facility within a single place or facility to avoid the need for residents to relocate to a separate place or facility. The provision of community care includes the multiple levels of care provided as part of a continuing care retirement community.

(10) "Adult day care" means any place or facility operating less than 24 hours a day caring for individuals not related within the third degree of relationship to the operator or owner by blood or marriage and who, due to functional impairment, need supervision or assistance with activities of daily living.

(11) "Place or facility" means a building or any one or more complete floors of a building, or any one or more complete wings of a building, or any one or more complete wings and one or more complete floors of a building. "Place or facility" includes multiple buildings.

(12) "Skilled nursing care" means services performed by or under the immediate supervision of a registered professional nurse and additional licensed nursing personnel. Skilled nursing includes administration of medications and treatments as prescribed by a licensed physician or dentist and other nursing functions that require substantial nursing judgment and skill based on the knowledge and application of scientific principles.

(13) "Supervised nursing care" means services provided by or under the guidance of a licensed nurse with initial direction for nursing procedures and periodic inspection of the actual act of accomplishing the procedures administration of medications and treatments as prescribed by a licensed physician or dentist and assistance of residents with the performance of activities of daily living.

(14) "Resident" means all individuals kept, cared for, treated, boarded or otherwise accommodated in any adult care home.

(15) "Person" means any individual, firm, partnership, corporation, company, association or joint-stock association, and the legal successor thereof.

(16) "Operate an adult care home" means to own, lease, sublease, establish, maintain, conduct the affairs of or manage an adult care home, except that for the purposes of this definition the words "own" and "lease" do not include hospital districts, cities and counties that hold title to an adult care home purchased or constructed through the sale of bonds.

(17) "Licensing agency" means the secretary for aging and disability services.

- (18) "Skilled nursing home" means a nursing facility.
- (19) "Intermediate nursing care home" means a nursing facility.
- (20) "Apartment" means a private unit that includes, but is not limited to, a toilet room with bathing facilities, a kitchen, sleeping, living and storage area and a lockable door.
- (21) "Individual living unit" means a private unit that includes, but is not limited to, a toilet room with bathing facilities, sleeping, living and storage area and a lockable door.
- (22) "Operator" means an individual registered pursuant to the operator registration act, K.S.A. 39-973 et seq., and amendments thereto, who may be appointed by a licensee to have the authority and responsibility to oversee an assisted living facility or residential healthcare facility with fewer than 61 residents, a home plus or adult day care facility.
- (23) "Activities of daily living" means those personal, functional activities required by an individual for continued well-being, including, but not limited to, eating, nutrition, dressing, personal hygiene, mobility and toileting.
- (24) "Personal care" means care provided by staff to assist an individual with or to perform activities of daily living.
- (25) "Functional impairment" means an individual has experienced a decline in physical, mental and psychosocial well-being and, as a result, is unable to compensate for the effects of the decline.
- (26) "Kitchen" means a food preparation area that includes a sink, refrigerator and a microwave oven or stove.
- (27) "Intermediate personal care home" for purposes of those individuals applying for or receiving veterans' benefits means residential healthcare facility.
- (28) "Paid nutrition assistant" means an individual who is paid to feed residents of an adult care home, or who is used under an arrangement with another agency or organization, who is trained by a person meeting nurse aide instructor qualifications as prescribed by 42 C.F.R. § 483.152, 42 C.F.R. § 483.160 and 42 C.F.R. § 483.35(h), and who provides such assistance under the supervision of a registered professional or licensed practical nurse.
- (29) "Medicaid program" means the Kansas program of medical assistance for which federal or state moneys, or any combination thereof, are expended any successor federal or state, or both, health insurance program or waiver granted thereunder.
- (30) "Licensee" means any person or persons acting jointly or severally who are licensed by the secretary for aging and disability services pursuant to the adult care home licensure act, K.S.A. 39-923 et seq., and amendments thereto.
- (31) "Insolvent" means that the adult care home or any individual or entity that operates an adult care home or appears on the adult care home license and has stopped paying debts in the ordinary course of business or is unable to pay debts as they come due in the ordinary course of business.
- (b) ~~The term~~ "Adult care home" does not include institutions operated by federal or state governments, except institutions operated by the director of the Kansas ~~commission on veterans affairs~~ office of veterans services, hospitals or institutions for the treatment and care of psychiatric patients, child care facilities, maternity centers, hotels, offices of physicians or hospices that are certified to participate in the medicare program under 42 C.F.R. § 418.1 et seq., and provide services only to hospice patients,

or centers approved by the centers for medicare and medicaid services as a program for all-inclusive care for the elderly (PACE) under 42 C.F.R. § 460 et seq., that provides services only to PACE participants.

(c) Nursing facilities in existence on the effective date of this act changing licensure categories to become residential healthcare facilities shall be required to provide private bathing facilities in a minimum of 20% of the individual living units.

(d) Facilities licensed under the adult care home licensure act on the day immediately preceding the effective date of this act shall continue to be licensed facilities until the annual renewal date of such license and may renew such license in the appropriate licensure category under the adult care home licensure act subject to the payment of fees and other conditions and limitations of such act.

(e) Nursing facilities with fewer than 60 beds converting a portion of the facility to residential healthcare shall have the option of licensing for residential healthcare for fewer than six individuals but not less than 10% of the total bed count within a contiguous portion of the facility.

(f) The licensing agency may by rule and regulation change the name of the different classes of homes when necessary to avoid confusion in terminology, and such agency may further amend, substitute, change and in a manner consistent with the definitions established in this section, further define and identify the specific acts and services that shall fall within the respective categories of facilities so long as the above categories for adult care homes are used as guidelines to define and identify the specific acts.

Sec. 5. K.S.A. 2024 Supp. 39-2009 is hereby amended to read as follows: 39-2009.
(a) As used in this section:

(1) "Applicant" means an individual who applies for employment with a center, facility, hospital or a provider of services or applies to work for an employment agency or as an independent contractor that provides staff to a center, facility, hospital or a provider of services.

(2) "Completion of the sentence" means the last day of the entire term of incarceration imposed by a sentence, including any term that is deferred, suspended or subject to parole, probation, diversion, community corrections, fines, fees, restitution or any other imposed sentencing requirements.

(3) "Department" means the Kansas department for aging and disability services.

(4) "Direct access" means work that involves an actual or reasonable expectation of one-on-one interaction with a consumer or a consumer's property, personally identifiable information, medical records, treatment information or financial information.

(5) "Direct supervision" means that a supervisor is physically present within an immediate distance to a supervisee and is available to provide constant direction, feedback and assistance to a client and the supervisee.

(6) "Employment agency" means an organization or entity that has a contracted relationship with a center, hospital, facility or provider of services to provide staff with direct access to consumers.

(7) "Independent contractor" means an organization, entity, agency or individual that provides contracted workers or services to a center, facility, hospital or provider of services.

(8) "Day service provider" means a provider of day support services for

development in self-help, social skills, recreational skills and work skills for adults with intellectual or developmental disabilities that is licensed by the department or a separate and distinct dedicated division of a provider of day support services for development in self-help, social skills, recreational skills and work skills for adults with intellectual or developmental disabilities licensed by the department.

(b) (1) No licensee shall knowingly operate a center, facility, hospital or be a provider of services if any person who works in the center, facility, hospital or for a provider of services has adverse findings on any state or national registry, as defined in rules and regulations adopted by the secretary for aging and disability services, or has been convicted of or has been adjudicated a juvenile offender because of having committed an act which, if committed by an adult, would constitute the commission of capital murder, pursuant to K.S.A. 21-3439, prior to its repeal, or K.S.A. 21-5401, and amendments thereto, first degree murder, pursuant to K.S.A. 21-3401, prior to its repeal, or K.S.A. 21-5402, and amendments thereto, second degree murder, pursuant to K.S.A. 21-3402(a), prior to its repeal, or K.S.A. 21-5403(a), and amendments thereto, voluntary manslaughter, pursuant to K.S.A. 21-3403, prior to its repeal, or K.S.A. 21-5404, and amendments thereto, assisting suicide, pursuant to K.S.A. 21-3406, prior to its repeal, or K.S.A. 21-5407, and amendments thereto, mistreatment of a dependent adult or mistreatment of an elder person, pursuant to K.S.A. 21-3437, prior to its repeal, or K.S.A. 21-5417, and amendments thereto, human trafficking, pursuant to K.S.A. 21-3446, prior to its repeal, or K.S.A. 21-5426(a), and amendments thereto, aggravated human trafficking, pursuant to K.S.A. 21-3447, prior to its repeal, or K.S.A. 21-5426(b), and amendments thereto, rape, pursuant to K.S.A. 21-3502, prior to its repeal, or K.S.A. 21-5503, and amendments thereto, indecent liberties with a child, pursuant to K.S.A. 21-3503, prior to its repeal, or K.S.A. 21-5506(a), and amendments thereto, aggravated indecent liberties with a child, pursuant to K.S.A. 21-3504, prior to its repeal, or K.S.A. 21-5506(b), and amendments thereto, aggravated criminal sodomy, pursuant to K.S.A. 21-3506, prior to its repeal, or K.S.A. 21-5504(b), and amendments thereto, indecent solicitation of a child, pursuant to K.S.A. 21-3510, prior to its repeal, or K.S.A. 21-5508(a), and amendments thereto, aggravated indecent solicitation of a child, pursuant to K.S.A. 21-3511, prior to its repeal, or K.S.A. 21-5508(b), and amendments thereto, sexual exploitation of a child, pursuant to K.S.A. 21-3516, prior to its repeal, or K.S.A. 21-5510, and amendments thereto, sexual battery, pursuant to K.S.A. 21-3517, prior to its repeal, or K.S.A. 21-5505(a), and amendments thereto, aggravated sexual battery, pursuant to K.S.A. 21-3518, prior to its repeal, or K.S.A. 21-5505(b), and amendments thereto, commercial sexual exploitation of a child, pursuant to K.S.A. 21-6422, and amendments thereto, an attempt to commit any of the crimes listed in this paragraph, pursuant to K.S.A. 21-3301, prior to its repeal, or K.S.A. 21-5301, and amendments thereto, a conspiracy to commit any of the crimes listed in this paragraph, pursuant to K.S.A. 21-3302, prior to its repeal, or K.S.A. 21-5302, and amendments thereto, or criminal solicitation of any of the crimes listed in this paragraph, pursuant to K.S.A. 21-3303, prior to its repeal, or K.S.A. 21-5303, and amendments thereto, or similar statutes of other states or the federal government.

(2) (A) A licensee operating a center, facility or hospital or as a provider of services may employ an applicant who has been convicted of any of the following if six or more years have elapsed since completion of the sentence imposed or the applicant was discharged from probation, a community correctional services program, parole,

postrelease supervision, conditional release or a suspended sentence; if six or more years have elapsed since a community correctional services program, parole, postrelease supervision, conditional release or a suspended sentence; or if the applicant has been granted a waiver of such six-year disqualification: A felony conviction for a crime that is described in: (i) Article 34 of chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or article 54 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, except those crimes listed in paragraph (1); (ii) article 35 or 36 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, prior to their repeal, or article 55 or 56 of chapter 21 of the Kansas Statutes Annotated or K.S.A. 21-6420, and amendments thereto, except those crimes listed in paragraph (1); (iii) K.S.A. 21-3701, prior to its repeal, or K.S.A. 21-5801, and amendments thereto; (iv) an attempt to commit any of the crimes listed in this paragraph pursuant to K.S.A. 21-3301, prior to its repeal, or K.S.A. 21-5301, and amendments thereto; (v) a conspiracy to commit any of the crimes listed in this paragraph pursuant to K.S.A. 21-3302, prior to its repeal, or K.S.A. 21-5302, and amendments thereto; (vi) criminal solicitation of any of the crimes listed in this paragraph pursuant to K.S.A. 21-3303, prior to its repeal, or K.S.A. 21-5303, and amendments thereto; or (vii) similar statutes of other states or the federal government.

(B) An individual who has been disqualified for employment due to conviction or adjudication of an offense listed in this paragraph may apply to the secretary for aging and disability services for a waiver of such disqualification if five years have elapsed since completion of the sentence for such conviction. The secretary shall adopt rules and regulations establishing the waiver process and the criteria to be utilized by the secretary in evaluating any such waiver request.

(3) (A) A licensee operating a center, facility, hospital or as a provider of services may employ an applicant who has been convicted of any of the following if six or more years have elapsed since completion of the sentence imposed or the applicant was discharged from probation, a community correctional services program, parole, postrelease supervision, conditional release or a suspended sentence; if six or more years have elapsed since the applicant has been finally discharged from the custody of the secretary of corrections or from probation or has been adjudicated a juvenile offender, whichever time is longer; or if the applicant has been granted a waiver of such six-year disqualification:

(i) Interference with custody of a committed person pursuant to K.S.A. 21-3423, prior to its repeal, or K.S.A. 21-5410, and amendments thereto; mistreatment of a confined person pursuant to K.S.A. 21-3425, prior to its repeal, or K.S.A. 21-5416, and amendments thereto; unlawful administration of a substance pursuant to K.S.A. 21-3445, prior to its repeal, or K.S.A. 21-5425, and amendments thereto; violation of a protective order pursuant to K.S.A. 21-3843, prior to its repeal, or K.S.A. 21-5924; promoting obscenity or promoting obscenity to minors pursuant to K.S.A. 21-4301 or 21-4301a, prior to their repeal, or K.S.A. 21-6401, and amendments thereto; or cruelty to animals pursuant to K.S.A. 21-3727, 21-4310 or 21-4311, prior to their repeal, or K.S.A. 21-6412, and amendments thereto; or

(ii) any felony conviction of: Unlawful manufacture of a controlled substance pursuant to K.S.A. 2010 Supp. 21-36a03, prior to its repeal, or K.S.A. 21-5703, and amendments thereto; unlawful cultivation or distribution of a controlled substance pursuant to K.S.A. 2010 Supp. 21-36a05, prior to its repeal, or K.S.A. 21-5705, and

amendments thereto; unlawful manufacture, distribution, cultivation or possession of a controlled substance using a communication facility pursuant to K.S.A. 2010 Supp. 21-36a07, prior to its repeal, or K.S.A. 21-5707, and amendments thereto; unlawful obtainment or sale of a prescription-only drug pursuant to K.S.A. 2010 Supp. 21-36a08, prior to its repeal, or K.S.A. 21-5708, and amendments thereto; unlawful distribution of drug precursors or drug paraphernalia pursuant to K.S.A. 2010 Supp. 21-36a10, prior to its repeal, or K.S.A. 21-5710, and amendments thereto; unlawful distribution or possession of a simulated controlled substance pursuant to K.S.A. 2010 Supp. 21-36a13, prior to its repeal, or K.S.A. 21-5713, and amendments thereto; forgery pursuant to K.S.A. 21-3710, prior to its repeal, or K.S.A. 21-5823, and amendments thereto; criminal use of a financial card pursuant to K.S.A. 21-3729, prior to its repeal, or K.S.A. 21-5828, and amendments thereto; any violation of the Kansas medicaid fraud control act pursuant to K.S.A. 21-3844 et seq., prior to their repeal, or K.S.A. 21-5925 et seq., and amendments thereto; making a false claim, statement or representation to the medicaid program pursuant to K.S.A. 21-3846, prior to its repeal, or K.S.A. 21-5927, and amendments thereto; unlawful acts relating to the medicaid program pursuant to K.S.A. 21-3847, prior to its repeal, or K.S.A. 21-5928, and amendments thereto; obstruction of a medicaid fraud investigation pursuant to K.S.A. 21-3856, prior to its repeal, or K.S.A. 21-5929, and amendments thereto; identity theft or identity fraud pursuant to K.S.A. 2010 Supp. 21-4018, prior to its repeal, or K.S.A. 21-6107, and amendments thereto; or social welfare fraud pursuant to K.S.A. 39-720, and amendments thereto. The provisions of this paragraph shall not apply to any person who is employed by a center, facility, hospital or provider of services on or before July 1, 2018, and is continuously employed by the same center, facility, hospital or provider of services or to any person during or upon successful completion of a diversion agreement.

(B) An individual who has been disqualified for employment due to conviction or adjudication of an offense listed in this paragraph may apply to the secretary for aging and disability services for a waiver of such disqualification if five years have elapsed since completion of the sentence for such conviction or adjudication. The secretary shall adopt rules and regulations establishing the waiver process and criteria to be considered by the secretary in evaluating any such waiver request.

(c) No licensee shall operate a center, facility, hospital or be a provider of services if such licensee has been found to be an adult with an impairment in need of a guardian or a conservator, or both, as provided in the act for obtaining a guardian or conservator, or both. The provisions of this subsection shall not apply to an individual who, as a minor, was found to be in need of a guardian or conservator for reasons other than impairment.

(d) (1) The Kansas bureau of investigation shall release all records of adult and juvenile convictions and adjudications and adult and juvenile convictions and adjudications of any other state or country concerning persons working in a center, facility, hospital or for a provider of services to the secretary for aging and disability services in accordance with K.S.A. 22-4714, and amendments thereto. ~~The Kansas bureau of investigation may charge to the Kansas department for aging and disability services a reasonable fee for providing criminal history record information under this subsection.~~

(2) The department ~~shall~~ may require an applicant to be fingerprinted and to submit

to a state and national criminal history record check in accordance with K.S.A. 22-4714, and amendments thereto. ~~The fingerprints shall be used to identify the individual and to determine whether the individual has a record of criminal history in this state or other jurisdiction. The department 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 department may use the information obtained from fingerprinting and the criminal history record check for purposes of verifying the identification of the person and for making an official determination of the qualifications and fitness of the person to work in the center, facility, hospital or for a provider of services.~~

(3) An applicant for employment in a center, facility, hospital or for a provider of services shall have 20 calendar days after receipt of authorization to submit the applicant's fingerprints through an authorized collection site in order to be eligible for provisional employment or the applicant's application shall be deemed withdrawn.

(4) (A) The current or prospective employer of an applicant shall pay a reasonable fee not to exceed \$19 of the total cost for criminal history record information to the department for each applicant submitted.

(B) The prospective employer, employee or independent contractor shall pay the fingerprint collection fee at the time of fingerprinting to the authorized collection site.

(5) If an applicant disputes the contents of a criminal history record check, then the applicant may file an appeal with the Kansas bureau of investigation.

(6) Individuals who have been disqualified for employment by reason of their criminal history records and who have met the requirements of this subsection may apply for a waiver with the department within 30 days of the receipt of the notice of employment prohibition.

(7) The department shall adopt rules and regulations specifying the criteria and procedure for issuing a waiver of the employment prohibition. The secretary shall consider the following criteria when rendering a decision on such a waiver request: Passage of time; extenuating circumstances; demonstration of rehabilitation; and relevancy of the criminal history record information to the position for which the applicant is applying. Any employment prohibition issued shall remain in effect unless or until a waiver is granted.

(e) The secretary shall provide each licensee requesting information under this section with a pass or fail determination after review of any criminal history record information in writing and within three working days of receipt of such information from the Kansas bureau of investigation or the federal bureau of investigation.

(f) Any licensee or member of the staff who receives information concerning the fitness or unfitness of any person shall keep such information confidential, except that the staff person may disclose such information to the person who is the subject of the request for information. A violation of this subsection shall be an unclassified misdemeanor punishable by a fine of \$100.

(g) For the purpose of complying with this section, the licensee operating a center, facility, hospital or a provider of services shall request from the Kansas department for aging and disability services an eligibility determination regarding adult and juvenile convictions and adjudications. For the purpose of complying with this section, the licensee operating a center, facility, hospital or a provider of services shall receive from any employment agency or independent contractor that provides employees to work in

the center, facility, hospital or for the provider of services written certification that such employees are not prohibited from working in the center, facility, hospital or for the provider of services under this section. For the purpose of complying with this section, a licensee may hire an applicant for provisional employment on a one-time basis of 60 calendar days pending the results from the Kansas department for aging and disability services of an eligibility determination under this subsection. A provisional employee may only be supervised by an employee who has completed all training required by federal regulations, department rules and regulations and the center's, facility's, hospital's or provider of services' policies and procedures. No licensee, its contractors or employees, shall be liable for civil damages to any person refused employment or discharged from employment by reason of such licensee's compliance with the provisions of this section if such licensee acts in good faith to comply with this section.

(h) The licensee operating a center, facility, hospital or a provider of services shall not require an applicant under this section to be fingerprinted, if the applicant has been the subject of a criminal history record check under this act within one year prior to the application for employment with the licensee operating a center, facility, hospital or a provider of services and has maintained a record of continuous employment, with no lapse of employment of over 90 days in any center, facility, hospital or a provider of services covered by this act.

Sec. 6. K.S.A. 40-252, as amended by section 9 of 2025 House Bill No. 2050, is hereby amended to read as follows: 40-252. Not later than December 1 of each year, the commissioner shall set and cause to be published in the Kansas register the fees required pursuant to this section for the next calendar year.

Every insurance company or fraternal benefit society organized under the laws of this state or doing business in this state shall pay to the commissioner of insurance fees and taxes not to exceed the amounts specified in the following schedule:

A

Insurance companies organized under the laws of this state:

1.	Capital stock insurance companies and mutual legal reserve life insurance companies:	
	Filing application for sale of stock or certificates of indebtedness.....	\$25
	Admission fees:	
	Examination of charter and other documents.....	500
	Filing annual statement.....	100
	Certificate of authority.....	10
	Annual fees:	
	Filing annual statement.....	100
	Continuation of certificate of authority.....	10
2.	Mutual life, accident and health associations:	
	Admission fees:	
	Examination of charter and other documents.....	\$500
	Filing annual statement.....	100
	Certificate of authority.....	10
	Annual fees:	
	Filing annual statement.....	100
	Continuation of certificate of authority.....	10

3. Mutual fire, hail, casualty and multiple line insurers and reciprocal or interinsurance exchanges:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority provided in this code, all such companies shall pay a one-time fee of \$2 for each newly certified agent. Such fee shall be non-recurrent and constitute the only appointment fee charged for the duration of such newly certified agent's employment with the appointing company. Such companies shall also pay a tax annually upon all premiums received on risk located in this state at the rate of 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum less any taxes paid on business in this state pursuant to the provisions of K.S.A. 75-1508, and amendments thereto, and the amount of the firefighters relief tax credit determined by the commissioner of insurance. The amount of the firefighters relief tax credit for a company for the current tax year shall be determined by the commissioner of insurance by dividing: (A) The total amount of credits against the tax imposed by this section for taxes paid by all such companies on business in this state under K.S.A. 40-1701 through 40-1707, and amendments thereto, for tax year 1983, by (B) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1703, and amendments thereto, for the tax year immediately preceding the current tax year, and by multiplying the result so obtained by (C) the amount of taxes paid by the company on business in this state under K.S.A. 40-1703, and amendments thereto, for the current tax year.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums that, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, all premiums received for reinsurance from any other company authorized to do business in this state, dividends returned to policyholders and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

B

Fraternal benefit societies organized under the laws of this state:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

C

Mutual nonprofit hospital service corporations, nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations organized under the laws of this state:

1. Mutual nonprofit hospital service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

2. Nonprofit medical service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

3. Nonprofit dental service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

4. Nonprofit optometric service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

5. Nonprofit pharmacy service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority, provided in this code, every corporation or association shall pay annually to the commissioner of insurance a tax in an amount equal to 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum of the total of all premiums, subscription charges, or any other term that may be used to describe the charges made by such corporation or association to subscribers for hospital, medical or other health services or indemnity received during the preceding year. In such computations all such corporations or associations shall be entitled to deduct any premiums or subscription charges returned on account of cancellations and dividends returned to members or subscribers.

D

Insurance companies organized under the laws of any other state, territory or country:

1. Capital stock insurance companies and mutual legal reserve life insurance companies:
 Filing application for sale of stock or certificates of indebtedness.....\$25
 Admission fees:
 Examination of charter and other documents.....500
 Filing annual statement.....100
 Certificate of authority.....10
 Annual fees:
 Filing annual statement.....100
 Continuation of certificate of authority.....10

In addition to the above fees, all such companies shall pay a one-time fee of \$5 for each newly certified agent. Such fee shall be non-recurrent and constitute the only appointment fee charged for the duration of such newly certified agent's employment with the appointing company, except as otherwise provided by law.

As a condition precedent to the continuation of the certificate of authority, provided in this code, every company organized under the laws of any other state of the United States or of any foreign country shall pay a tax upon all premiums received during the preceding year at the rate of 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums that, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, dividends returned to policyholders and all premiums received for reinsurance from any other company authorized to do business in this state and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

2. Mutual life, accident and health associations:

- Admission fees:
 Examination of charter and other documents.....\$500
 Filing annual statement.....100

Certificate of authority.....10

Annual fees:

 Filing annual statement.....100

 Continuation of certificate of authority.....10

In addition to the above fees, every such company organized under the laws of any other state of the United States shall pay a one-time fee of \$5 for each newly certified agent. Such fee shall be non-recurrent and constitute the only appointment fee charged for the duration of such newly certified agent's employment with the appointing company. Such companies shall pay a tax annually upon all premiums received at the rate of 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums that, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, dividends returned to policyholders and all premiums received for reinsurance from any other company authorized to do business in this state and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

- 3. Mutual fire, casualty and multiple line insurers and reciprocal or interinsurance exchanges:

Admission fees:

 Examination of charter and other documents and issuance of certificate of authority.....\$500

 Filing annual statement.....100

 Certificate of authority.....10

Annual fees:

 Filing annual statement.....100

 Continuation of certificate of authority.....10

In addition to the above fees, every such company or association organized under the laws of any other state of the United States shall pay a one-time fee of \$5 for each newly certified agent. Such fee shall be non-recurrent and constitute the only appointment fee charged for the duration of such newly certified agent's employment with the appointing company. Such companies shall also pay a tax annually upon all premiums received at the rate of 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum.

For tax years 1998 and thereafter, the annual tax shall be reduced by the "applicable percentage" of: (1) Any taxes paid on business in this state pursuant to the provisions of K.S.A. 75-1508, and amendments thereto; and (2) the amount of the firefighters relief tax credit determined by the commissioner of insurance. The amount of the firefighters relief tax credit for a company taxable under this subsection for the current tax year shall be determined by the commissioner of insurance by dividing (A) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1701 to

40-1707, and amendments thereto, for tax year 1983 as then in effect, by (B) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1703, and amendments thereto, for the tax year immediately preceding the current tax year, and by multiplying the result so obtained by (C) the amount of taxes paid by the company on business in this state under K.S.A. 40-1703, and amendments thereto, for the current tax year. The "applicable percentage" shall be as follows: 100%.

Tax Year	Applicable Percentage
1998	10%
1999	20%
2000	40%
2002	50%
2003	60%
2004	70%
2005	80%
2006	90%
2007 and thereafter	100%

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, all premiums received for reinsurance from any other company authorized to do business in this state, and dividends returned to policyholders.

E

Fraternal benefit societies organized under the laws of any other state, territory or country:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

F

Mutual nonprofit hospital service corporations, nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations organized under the laws of any other state, territory or country:

1. Mutual nonprofit hospital service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

2. Nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations:

Admission fees:

Examination of charter and other documents.....	\$500
Filing annual statement.....	100
Certificate of authority.....	10

Annual fees:

Filing annual statement.....	100
Continuation of certificate of authority.....	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority, provided in this code, every corporation or association shall pay annually to the commissioner of insurance a tax in an amount equal to 2% for tax year 2025 and 1.98% for tax year 2026, and all tax years thereafter, per annum of the total of all premiums, subscription charges, or any other term that may be used to describe the charges made by such corporation or association to subscribers in this state for hospital, medical or other health services or indemnity received during the preceding year. In such computations all such corporations or associations shall be entitled to deduct any premiums or subscription charges returned on account of cancellations and dividends returned to members or subscribers.

G

Payment of Taxes.

For the purpose of insuring the collection of the tax upon premiums, assessments and charges as set out in subsection A, C, D or F, every insurance company, corporation or association shall at the time it files its annual statement, as required by the provisions of K.S.A. 40-225, and amendments thereto, make a return, generated by or at the direction of its president and secretary or other chief officers, under penalty of K.S.A. 21-5824, and amendments thereto, to the commissioner of insurance, stating the amount of all premiums, assessments and charges received by the companies or corporations in this state, whether in cash or notes, during the year ending on the December 31 next preceding.

Commencing in 1985 and annually thereafter the estimated taxes shall be paid as follows: On or before June 15 and December 15 of such year an amount equal to 50% of the full amount of the prior year's taxes as reported by the company shall be remitted to the commissioner of insurance. As used in this paragraph, "prior year's taxes" includes: (1) Taxes assessed pursuant to this section for the prior calendar year; (2) fees and taxes assessed pursuant to K.S.A. 40-253, and amendments thereto, for the prior calendar year; and (3) taxes paid for maintenance of the department of the state fire marshal pursuant to K.S.A. 75-1508, and amendments thereto, for the prior calendar year.

Upon the receipt of such returns the commissioner of insurance shall verify the same and assess the taxes upon such companies, corporations or associations on the basis and at the rate provided herein and the balance of such taxes shall thereupon become due and payable giving credit for amounts paid pursuant to the preceding paragraph, or the commissioner shall make a refund if the taxes paid in the prior June and December are in excess of the taxes assessed.

All reports and returns required by this act and rules and regulations adopted pursuant thereto shall be preserved for three years and thereafter until the commissioner orders them to be destroyed.

H

The fee prescribed for the examination of charters and other documents shall apply to each company's initial application for admission and shall not be refundable for any reason.

Sec. 7. K.S.A. 40-3401, as amended by section 1 of 2025 House Bill No. 2039, is hereby amended to read as follows: 40-3401. As used in this act:

- (a) "Applicant" means any healthcare provider.
- (b) "Basic coverage" means a policy of professional liability insurance required to be maintained by each healthcare provider pursuant to the provisions of K.S.A. 40-3402(a) or (b), and amendments thereto.
- (c) "Commissioner" means the commissioner of insurance.
- (d) "Fiscal year" means the year commencing on the effective date of this act and each year, commencing on the first day of July thereafter.
- (e) "Fund" means the healthcare stabilization fund established pursuant to K.S.A. 40-3403(a), and amendments thereto.
- (f) (1) "Healthcare provider" means a:
 - (A) Person licensed to practice any branch of the healing arts by the state board of healing arts;
 - (B) person who holds a temporary permit to practice any branch of the healing arts issued by the state board of healing arts;
 - (C) person engaged in a postgraduate training program approved by the state board of healing arts;
 - (D) medical care facility licensed by the state of Kansas;
 - (E) podiatrist licensed by the state board of healing arts;
 - (F) health maintenance organization issued a certificate of authority by the commissioner;
 - (G) optometrist licensed by the board of examiners in optometry;
 - (H) pharmacist licensed by the state board of pharmacy;
 - (I) licensed professional nurse who is authorized to practice as a registered nurse anesthetist;
 - (J) licensed professional nurse who has been granted a temporary authorization to practice nurse anesthesia under K.S.A. 65-1153, and amendments thereto;
 - (K) professional corporation organized pursuant to the professional corporation law of Kansas by persons who are authorized by such law to form such a corporation and are healthcare providers as defined by this subsection;
 - (L) Kansas limited liability company organized for the purpose of rendering professional services by its members who are healthcare providers as defined by this subsection and legally authorized to render the professional services for which the limited liability company is organized;
 - (M) partnership of persons who are healthcare providers under this subsection;
 - (N) Kansas not-for-profit corporation organized for the purpose of rendering professional services by persons who are healthcare providers as defined by this subsection;
 - (O) nonprofit corporation organized to administer the graduate medical education programs of community hospitals or medical care facilities affiliated with the university of Kansas school of medicine;
 - (P) dentist certified by the state board of healing arts to administer anesthetics under K.S.A. 65-2899, and amendments thereto;

(Q) psychiatric hospital licensed prior to January 1, 1988, and continuously thereafter under K.S.A. 2015 Supp. 75-3307b, prior to its repeal, and K.S.A. 39-2001 et seq., and amendments thereto, or a mental health center or mental health clinic licensed by the state of Kansas;

(R) physician assistant licensed by the state board of healing arts;

(S) licensed advanced practice registered nurse who is authorized by the board of nursing to practice as an advanced practice registered nurse in the classification of a nurse-midwife;

(T) maternity center, if such maternity center has been granted accreditation by the commission for accreditation of birth centers and is a maternity center as defined in K.S.A. 65-503, and amendments thereto;

(U) licensed advanced practice registered nurse who has been granted a temporary authorization by the board of nursing to practice as an advanced practice registered nurse in the classification of a nurse-midwife;

(V) nursing facility licensed by the state of Kansas;

(W) assisted living facility licensed by the state of Kansas; or

(X) a residential healthcare facility licensed by the state of Kansas.

(2) "Healthcare provider" does not include:

(A) Any state institution for people with intellectual disability;

(B) any state psychiatric hospital;

(C) any person holding an exempt license issued by the state board of healing arts or the board of nursing;

(D) any person holding a visiting clinical professor license from the state board of healing arts;

(E) any person holding an inactive license issued by the state board of healing arts;

(F) any person holding a federally active license issued by the state board of healing arts;

(G) an advanced practice registered nurse who is authorized by the board of nursing to practice as an advanced practice registered nurse in the classification of nurse-midwife or nurse anesthetist and who practices solely in the course of employment or active duty in the United States government or any of its departments, bureaus or agencies or provides professional services as a charitable healthcare provider as defined under K.S.A. 75-6102, and amendments thereto; or

(H) a physician assistant licensed by the state board of healing arts who practices solely in the course of employment or active duty in the United States government or any of its departments, bureaus or agencies or provides professional services as a charitable healthcare provider as defined under K.S.A. 75-6102, and amendments thereto.

(g) "Inactive healthcare provider" means a person or other entity who purchased basic coverage or qualified as a self-insurer on or subsequent to the effective date of this act but who, at the time a claim is made for personal injury or death arising out of the rendering of or the failure to render professional services by such healthcare provider, does not have basic coverage or self-insurance in effect solely because such person is no longer engaged in rendering professional service as a healthcare provider.

(h) "Insurer" means any corporation, association, reciprocal exchange, inter-insurer and any other legal entity authorized to write bodily injury or property damage liability insurance in this state, including workers compensation and automobile liability

insurance, pursuant to the provisions of the acts contained in article 9, 11, 12 or 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto.

(i) "Plan" means the operating and administrative rules and procedures developed by insurers and rating organizations or the commissioner to make professional liability insurance available to healthcare providers.

(j) "Professional liability insurance" means insurance providing coverage for legal liability arising out of the performance of professional services rendered or that should have been rendered by a healthcare provider.

(k) "Rating organization" means a corporation, an unincorporated association, a partnership or an individual licensed pursuant to K.S.A. 40-956, and amendments thereto, to make rates for professional liability insurance.

(l) "Self-insurer" means a healthcare provider who qualifies as a self-insurer pursuant to K.S.A. 40-3414, and amendments thereto.

(m) "Medical care facility" means the same when used in the healthcare provider insurance availability act as defined in K.S.A. 65-425, and amendments thereto, except that, as used in the healthcare provider insurance availability act, such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a medical care facility.

(n) "Mental health center" means a mental health center licensed by the state of Kansas under K.S.A. 39-2001 et seq., and amendments thereto, except that, as used in the healthcare provider insurance availability act, such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a mental health center.

(o) "Mental health clinic" means a mental health clinic licensed by the state of Kansas under K.S.A. 39-2001 et seq., and amendments thereto, except that, as used in the healthcare provider insurance availability act, such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a mental health clinic.

(p) "State institution for people with intellectual disability" means ~~Winfield state hospital and training center~~, Parsons state hospital and training center and the Kansas neurological institute.

(q) "State psychiatric hospital" means Larned state hospital, Osawatomie state hospital and ~~Rainbow mental health facility~~ south central regional mental health hospital.

(r) "Person engaged in residency training" means:

(1) A person engaged in a postgraduate training program approved by the state board of healing arts who is employed by and is studying at the university of Kansas medical center only when such person is engaged in medical activities that do not include extracurricular, extra-institutional medical service for which such person receives extra compensation and that have not been approved by the dean of the school of medicine and the executive vice-chancellor of the university of Kansas medical center. Persons engaged in residency training shall be considered resident healthcare providers for purposes of K.S.A. 40-3401 et seq., and amendments thereto; and

(2) a person engaged in a postgraduate training program approved by the state board of healing arts who is employed by a nonprofit corporation organized to administer the graduate medical education programs of community hospitals or medical care facilities affiliated with the university of Kansas school of medicine or who is

employed by an affiliate of the university of Kansas school of medicine as defined in K.S.A. 76-367, and amendments thereto, only when such person is engaged in medical activities that do not include extracurricular, extra-institutional medical service for which such person receives extra compensation and that have not been approved by the chief operating officer of the nonprofit corporation or the chief operating officer of the affiliate and the executive vice-chancellor of the university of Kansas medical center.

(s) "Full-time physician faculty employed by the university of Kansas medical center" means a person licensed to practice medicine and surgery who holds a full-time appointment at the university of Kansas medical center when such person is providing healthcare. A person licensed to practice medicine and surgery who holds a full-time appointment at the university of Kansas medical center may also be employed part-time by the United States department of veterans affairs if such employment is approved by the executive vice-chancellor of the university of Kansas medical center.

(t) "Sexual act" or "sexual activity" means sexual conduct that constitutes a criminal or tortious act under the laws of the state of Kansas.

(u) "Board" means the board of governors created by K.S.A. 40-3403, and amendments thereto.

(v) "Board of directors" means the governing board created by K.S.A. 40-3413, and amendments thereto.

(w) "Locum tenens contract" means a temporary agreement not exceeding 182 days per calendar year that employs a healthcare provider to actively render professional services in this state.

(x) "Professional services" means patient care or other services authorized under the act governing licensure of a healthcare provider.

(y) "Healthcare facility" means a nursing facility, an assisted living facility or a residential healthcare facility as all such terms are defined in K.S.A. 39-923, and amendments thereto.

(z) "Charitable healthcare provider" means the same as defined in K.S.A. 75-6102, and amendments thereto.

Sec. 8. K.S.A. 2024 Supp. 40-4302, as amended by section 24 of 2025 House Bill No. 2334, is hereby amended to read as follows: 40-4302. (a) Any captive insurance company, when permitted by its organizational documents, may apply to the commissioner for a certificate of authority to do any and all insurance comprised in K.S.A. 40-901 et seq., 40-1102(1)(a); and (1)(c) through (1)(n), and amendments thereto, and to issue life, accident and health insurance policies, except that:

(1) A pure captive insurance company shall not insure any risks other than those of its parent and affiliated companies, any controlled unaffiliated business or combination thereof;

(2) no association captive insurance company shall insure any risks other than those of its association and those of the member organizations of its association. No association captive insurance company shall expose itself to loss on any one risk or hazard in an amount exceeding 10% of its paid-up capital and surplus;

(3) no captive insurance company shall provide personal lines of insurance, employers' liability insurance coverage, long-term care coverage, critical care coverage, surety, title insurance, credit insurance or any component thereof, except that a technology-enabled fiduciary financial institution insurance company shall be permitted to provide contracts of suretyship and credit insurance in accordance with K.S.A. 2024

Supp. 40-4354, and amendments thereto;

(4) a captive insurance company may provide workers compensation insurance, insurance in the nature of workers compensation insurance and the reinsurance of such policies unless prohibited by federal law, the provisions of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any other state having jurisdiction over the transaction;

(5) a captive insurance company may provide excess or stop-loss accident and health insurance unless prohibited by federal law or the laws of the state having jurisdiction over the transaction;

(6) any captive insurance company may provide workers compensation insurance, insurance in the nature of workers' compensation insurance and reinsurance of such policies unless prohibited by federal law, the laws of the state of Kansas or any other state having jurisdiction over the transaction;

(7) no captive insurance company shall provide accident and health, life insurance or annuities on a direct basis;

(8) no captive insurance company authorized as a life insurance company shall transact business other than life insurance; and

(9) no captive insurance company authorized to transact business under article 9 or 11 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, shall engage in the business of life insurance.

(b) No captive insurance company organized under the laws of this state shall do any insurance business in this state unless such captive insurance company:

(1) First obtains from the commissioner a certificate of authority authorizing it to do insurance business in this state;

(2) has its board of directors, members, partners, managers, committee of managers or other governing body hold at least one meeting each year in this state;

(3) maintains its principal place of business in this state; and

(4) authorizes the commissioner to accept service of process on its behalf in accordance with K.S.A. 40-218, and amendments thereto.

(c) Before receiving a certificate of authority, an applicant captive insurance company shall file with the commissioner:

(1) A copy of the applicant captive insurance company's organizational documents; and

(2) a plan of operation or a feasibility study describing the anticipated activities and results of the applicant captive insurance company that shall include:

(A) The company's loss prevention program of its parent and insureds, as applicable;

(B) historical and expected loss experience of the risks to be insured or reinsured by the applicant captive insurance company;

(C) pro forma financial statements and projections of the proposed business operations of the applicant captive insurance company;

(D) an analysis of the adequacy of the applicant captive insurance company's proposed premiums, assets and capital and surplus levels relative to the risks to be insured or reinsured by the captive insurance company;

(E) a statement of the applicant captive insurance company's net retained limited liability on any contract of insurance or reinsurance that such insurance company intends to issue and the nature of any reinsurance it intends to cede;

(F) a statement certifying that the applicant captive insurance company's investment policy is in compliance with this act and specifying the type of investments to be made;

(G) a statement identifying the geographic areas in which the applicant captive insurance company intends to operate;

(H) a statement identifying the persons or organizations that will perform the applicant captive insurance company's major operational functions, including management, underwriting, accounting, asset investment, claims adjusting and loss control and the adequacy of the expertise, experience and character of such persons or organizations; and

(I) whenever required by the commissioner, an appropriate opinion by a qualified independent actuary regarding the adequacy of the applicant captive insurance company's proposed capital, surplus and premium levels;

(3) a description of the coverages, deductibles, coverage limits, rates and forms, together with any additional information that the commissioner may require;

(4) such other items deemed to be relevant by the commissioner in ascertaining whether the proposed captive insurance company will be able to meet its obligations; and

(5) any modification or change in the items required under this subsection that shall require the prior approval of the commissioner.

(d) Notwithstanding any other provision of this act, the commissioner may issue a provisional certificate of authority to any applicant captive insurance company if the commissioner deems that the public interest will be served by the issuance of such a provisional certificate.

(1) As a condition precedent to the issuance of a provisional certificate of authority under this subsection, the applicant shall have filed a complete application containing all information required in subsection (c) and paid all necessary fees. The commissioner shall have made a preliminary finding that the expertise, experience and character of the person who shall control and manage the applicant captive are acceptable.

(2) The commissioner may by order limit the authority of any provisional certificate holder in any way deemed to be necessary in order to protect insureds and the public. The commissioner may revoke a provisional certificate holder if the interests of the insureds or the public are endangered. If the applicant fails to complete the regular application for a certificate of authority, the provisional certificate of authority shall terminate by operation of law.

(3) The commissioner may enact all rules and regulations necessary to implement a program for the issuance of provisional certificates of authority.

(e) Each captive insurance company shall pay to the commissioner a nonrefundable fee of up to \$2,500 for examining, investigating and processing its application for a certificate of authority. The commissioner is authorized to retain legal, financial, actuarial, analysis and examination services from outside the department, the reasonable costs of which shall be charged against the applicant. In addition, it shall pay a renewal fee of \$2,500 for each year thereafter. Not later than December 1 of each year, the commissioner shall set and cause to be published in the Kansas register the fee required by this subsection for the next calendar year.

~~(f) Each captive insurance company shall pay an annual renewal fee of \$110 until January 1, 2028, after which date, the provisions of subsection (e) shall apply.~~

(g)—If the commissioner is satisfied that the documents and statements that such captive insurance company has filed comply with the provisions of this act, the commissioner may grant a certificate of authority authorizing a:

(1) Captive insurance company other than a technology-enabled fiduciary financial institution to do insurance business in this state until March 1 thereafter, which certificate of authority may be renewed; and

(2) technology-enabled fiduciary financial institution insurance company to do insurance business in this state until the later of March 1 thereafter or the maturity date of the last payment-in-kind asset held by such technology-enabled fiduciary financial institution insurance company pursuant to this act.

(h)(g) Information submitted under this section shall be and remain confidential and shall not be made public by the commissioner or any employee or agent of the commissioner without the written consent of the company, except that:

(1) Such information may be discoverable by a party in a civil action or contested case to which the captive insurance company that submitted such information is a party, upon a showing by the party seeking to discover such information that:

(A) The information sought is relevant to and necessary for the furtherance of such action or case;

(B) the information sought is unavailable from other nonconfidential sources;

(C) a subpoena issued by a judicial or administrative officer or competent jurisdiction has been submitted to the commissioner; and

(D) the privacy of a qualified policyholder shall be protected in any court proceeding concerning such qualified policyholder if the technology-enabled fiduciary financial institution insurance company so petitions the court. Upon the filing of such petition, any information, including, but not limited to, an instrument, inventory, statement or verified report produced by the technology-enabled fiduciary financial institution insurance company regarding a policy issued to a qualified policyholder or payment-in-kind assets held by the technology-enabled fiduciary financial institution insurance company to satisfy claims of such qualified policyholder, all payment-in-kind policies, all petitions relevant to such information and all court orders thereon, shall be sealed upon filing and shall not be made a part of the public record of the proceeding, except that such petition shall be available to the court, the commissioner, the technology-enabled fiduciary financial institution insurance company, their attorneys and to such other interested persons as the court may order upon a showing of good cause;

(2) the commissioner may disclose such information to a public officer having jurisdiction over the regulation of insurance in another state, ~~provided that if:~~

(A) Such public official shall agree in writing to maintain the confidentiality of such information; and

(B) the laws of the state in which such public official serves requires such information to be and to remain confidential;

(3) access may also be granted to the national association of insurance commissioners and its affiliates, and the international association of supervisors and its affiliates. Such parties ~~must~~ shall agree in writing prior to receiving the information to provide to it the same confidential treatment as required by this section, unless the company gives prior written consent; and

(4) the privacy of those who have established an affiliated fidfin trust or alternative

asset custody account shall be protected in any court proceeding concerning such trust or custody account if the acting trustee, custodian, trustor or any beneficiary so petition the court. Upon the filing of such a petition, the instrument, inventory, statement filed by any trustee or custodian, annual verified report of the trustee or custodian and all petitions relevant to trust administration and all court orders thereon shall be sealed upon filing and shall not be made a part of the public record of the proceeding, except that such petition shall be available to the court, the trustor, the trustee, the custodian, any beneficiary, their attorneys and to such other interested persons as the court may order upon a showing of good cause.

Sec. 9. On and after July 1, 2026, K.S.A. 2024 Supp. 45-229, as amended by section 1 of 2025 House Bill No. 2166, is hereby amended to read as follows: 45-229.

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

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

The maintenance or creation of an exception to disclosure must be compelled as measured by these criteria. Further, the legislature finds that the public has a right to have access to public records unless the criteria in this section for restricting such access to a public record are met and the criteria are considered during legislative review in connection with the particular exception to disclosure to be significant enough to override the strong public policy of open government. To strengthen the policy of open government, the legislature shall consider the criteria in this section before enacting an exception to disclosure.

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

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

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

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

exception in the following year's certification after that determination.

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

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

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

~~(5) is a report of the results of an audit conducted by the United States cybersecurity and infrastructure security agency.~~

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

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

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

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

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

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

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

(i) (1) Exceptions contained in the following statutes as continued in existence in section 2 of chapter 126 of the 2005 Session Laws of Kansas and that have been reviewed and continued in existence twice by the legislature as provided in subsection (g) are hereby continued in existence: 1-401, 2-1202, 5-512, 9-1137, 9-1712, 9-2217,

10-630, 12-189, 12-1,108, 12-1694, 12-1698, 12-2819, 12-4516, 16-715, 16a-2-304, 17-1312e, 17-2227, 17-5832, 17-7511, 17-76,139, 19-4321, 21-2511, 22-3711, 22-4707, 22-4909, 22a-243, 22a-244, 23-605, 23-9,312, 25-4161, 25-4165, 31-405, 34-251, 38-2212, 39-709b, 39-719e, 39-934, 39-1434, 39-1704, 40-222, 40-2,156, 40-2c20, 40-2c21, 40-2d20, 40-2d21, 40-409, 40-956, 40-1128, 40-2807, 40-3012, 40-3304, 40-3308, 40-3403b, 40-3421, 40-3613, 40-3805, 40-4205, 44-510j, 44-550b, 44-594, 44-635, 44-714, 44-817, 44-1005, 44-1019, 45-221(a)(1) through (43), 46-256, 46-259, 46-2201, 47-839, 47-844, 47-849, 47-1709, 48-1614, 49-406, 49-427, 55-1,102, 58-4114, 59-2135, 59-2802, 59-2979, 59-29b79, 60-3333, 60-3336, 65-102b, 65-118, 65-119, 65-153f, 65-170g, 65-177, 65-1,106, 65-1,113, 65-1,116, 65-1,157a, 65-1,163, 65-1,165, 65-1,168, 65-1,169, 65-1,171, 65-1,172, 65-436, 65-445, 65-507, 65-525, 65-531, 65-657, 65-1135, 65-1467, 65-1627, 65-1831, 65-2422d, 65-2438, 65-2836, 65-2839a, 65-2898a, 65-3015, 65-3447, 65-34,108, 65-34,126, 65-4019, 65-4922, 65-4925, 65-5602, 65-5603, 65-6002, 65-6003, 65-6004, 65-6010, 65-67a05, 65-6803, 65-6804, 66-101c, 66-117, 66-151, 66-1,190, 66-1,203, 66-1220a, 66-2010, 72-2232, 72-3438, 72-6116, 72-6267, 72-9934, 73-1228, 74-2424, 74-2433f, 74-32,419, 74-4905, 74-4909, 74-50,131, 74-5515, 74-7308, 74-7338, 74-8104, 74-8307, 74-8705, 74-8804, 74-9805, 75-104, 75-712, 75-7b15, 75-1267, 75-2943, 75-4332, 75-4362, 75-5133, 75-5266, 75-5665, 75-5666, 75-7310, 76-355, 76-359, 76-493, 76-12b11, 76-12c03, 76-3305, 79-1119, 79-1437f, 79-3234, 79-3395, 79-3420, 79-3499, 79-34,113, 79-3614, 79-3657, 79-4301 and 79-5206.

(2) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2015 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 17-2036, 40-5301, 45-221(a)(45), (46) and (49), 48-16a10, 58-4616, 60-3351, 72-3415, 74-50,217 and 75-53,105.

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

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

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

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

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

(m) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2012 and that have been reviewed during the 2013 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 12-5811, 40-222, 40-223j, 40-5007a, 40-5009a, 40-5012a, 65-1685, 65-1695, 65-2838a, 66-1251, 66-1805, 72-8268, 75-712 and 75-5366.

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

(o) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2019 legislative session are hereby continued in existence: 21-2511(h)(2), 21-5905(a)(7), 22-2302(b) and (c), 22-2502(d) and (e), 40-222(k)(7), 44-714(e), 45-221(a)(55), 46-1106(g) regarding 46-1106(i), 65-2836(i), 65-2839a(c), 65-2842(d), 65-28a05(n), article 6(d) of 65-6230, 72-6314(a) and 74-7047(b).

(p) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2020 legislative session are hereby continued in existence: 38-2310(c), 40-409(j)(2), 40-6007(a), 45-221(a)(52), 46-1129, 59-29a22(b)(10) and 65-6747.

(q) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2021 legislative session are hereby continued in existence: 22-2302(c)(4)(J) and (c)(6)(B), 22-2502(e)(4)(J) and (e)(6)(B) and 65-6111(d)(4).

(r) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2023 legislative session are hereby continued in existence: 2-3902 and 66-2020.

(s) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2024 legislative session are hereby continued in existence: 2-3906, 2-3907, 41-511, 50-6,109a and 74-50,227.

(t) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2025 legislative session are hereby continued in existence: 48-962 and 65-7616.

Sec. 10. On and after January 1, 2026, K.S.A. 2024 Supp. 59-2946, as amended by

section 10 of 2025 House Bill No. 2249, is hereby amended to read as follows: 59-2946. When used in the care and treatment act for mentally ill persons:

(a) "Discharge" means the final and complete release from treatment, by either the head of a treatment facility acting pursuant to K.S.A. 59-2950, and amendments thereto, or by an order of a court issued pursuant to K.S.A. 59-2973, and amendments thereto.

(b) "Head of a treatment facility" means the administrative director of a treatment facility or such person's designee.

(c) "Law enforcement officer" means the same as defined in K.S.A. 22-2202, and amendments thereto.

(d) (1) "Mental health center" means any community mental health center as defined in K.S.A. 39-2002, and amendments thereto, or a mental health clinic organized as a not-for-profit or a for-profit corporation pursuant to K.S.A. 17-1701 through 17-1775, and amendments thereto, or K.S.A. 17-6001 through 17-6010, and amendments thereto, and licensed in accordance with the provisions of K.S.A. 39-2001 et seq., and amendments thereto.

(2) "Participating mental health center" means a mental health center that has entered into a contract with the secretary for aging and disability services pursuant to the provisions of K.S.A. 39-1601 through 39-1612, and amendments thereto.

(e) "Mentally ill person" means any person who is suffering from a mental disorder that is manifested by a clinically significant behavioral or psychological syndrome or pattern and associated with either a painful symptom or an impairment in one or more important areas of functioning, and involving substantial behavioral, psychological or biological dysfunction, to the extent that the person is in need of treatment.

(f) (1) "Mentally ill person subject to involuntary commitment for care and treatment" means a mentally ill person, as defined in subsection (e), who also lacks capacity to make an informed decision concerning treatment, is likely to cause harm to self or others, and whose diagnosis is not solely one of the following mental disorders: Alcohol or chemical substance abuse; antisocial personality disorder; intellectual disability; organic personality syndrome; or an organic mental disorder.

(2) "Lacks capacity to make an informed decision concerning treatment" means that the person, by reason of the person's mental disorder, is unable, despite conscientious efforts at explanation, to understand basically the nature and effects of hospitalization or treatment or is unable to engage in a rational decision-making process regarding hospitalization or treatment, as evidenced by an inability to weigh the possible risks and benefits.

(3) "Likely to cause harm to self or others" means that the person, by reason of the person's mental disorder: (A) 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; except that if the harm threatened, attempted or caused is only harm to the property of another, the harm must be of such a value and extent that the state's interest in protecting the property from such harm outweighs the person's interest in personal liberty; or (B) is substantially unable, except for reason of indigency, to provide for any of the person's basic needs, such as food, clothing, shelter, health or safety, causing a substantial deterioration of the person's ability to function on the person's own.

No person who is being treated by prayer in the practice of the religion of any church

that teaches reliance on spiritual means alone through prayer for healing shall be determined to be a mentally ill person subject to involuntary commitment for care and treatment under this act unless substantial evidence is produced upon which the district court finds that the proposed patient 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; except that if the harm threatened, attempted or caused is only harm to the property of another, the harm must be of such a value and extent that the state's interest in protecting the property from such harm outweighs the person's interest in personal liberty.

(g) "Patient" means a person who is a voluntary patient, a proposed patient or an involuntary patient.

(1) "Voluntary patient" means a person who is receiving treatment at a treatment facility pursuant to K.S.A. 59-2949, and amendments thereto.

(2) "Proposed patient" means a person for whom a petition pursuant to K.S.A. 59-2952 or 59-2957, and amendments thereto, has been filed.

(3) "Involuntary patient" means a person who is receiving treatment under order of a court or a person admitted and detained by a treatment facility pursuant to an application filed pursuant to K.S.A. 59-2954(b) or (c), and amendments thereto.

(h) "Physician" means a person licensed to practice medicine and surgery as provided for in the Kansas healing arts act or a person who is employed by a state psychiatric hospital or by an agency of the United States and who is authorized by law to practice medicine and surgery within that hospital or agency.

(i) "Psychologist" means a licensed psychologist, as defined by K.S.A. 74-5302, and amendments thereto.

(j) "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 master's 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.

(1) "Direction" means monitoring and oversight including regular, periodic evaluation of services.

(2) "Licensed master social worker" means a person licensed as a master social worker by the behavioral sciences regulatory board under K.S.A. 65-6301 through 65-6318, and amendments thereto.

(3) "Licensed specialist social worker" means a person licensed in a social work practice specialty by the behavioral sciences regulatory board under K.S.A. 65-6301 through 65-6318, and amendments thereto.

(4) "Licensed master's level psychologist" means a person licensed as a licensed master's level psychologist by the behavioral sciences regulatory board under K.S.A. 74-5361 through 74-5373, and amendments thereto.

(5) "Registered nurse" means a person licensed as a registered professional nurse

by the board of nursing under K.S.A. 65-1113 through 65-1164, and amendments thereto.

(k) "Secretary" means the secretary for aging and disability services.

(l) "State psychiatric hospital" means Larned state hospital, Osawatomie state hospital or south central regional mental health hospital.

(m) "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.

(n) "Treatment facility" means any mental health center or clinic, psychiatric unit of a medical care facility, state psychiatric hospital, psychologist, physician or other institution or person authorized or licensed by law to provide either inpatient or outpatient treatment to any patient.

(o) The terms defined in ~~K.S.A. 59-3051~~ section 25 of 2025 House Bill No. 2359, and amendments thereto, shall have the meanings provided by that section.

Sec. 11. On and after January 1, 2026, K.S.A. 2024 Supp. 59-29b46, as amended by section 11 of 2025 House Bill No. 2249, is hereby amended to read as follows: 59-29b46. When used in the care and treatment act for persons with an alcohol or substance abuse problem:

(a) "Discharge" means the final and complete release from treatment, by either the head of a treatment facility acting pursuant to K.S.A. 59-29b50, and amendments thereto, or by an order of a court issued pursuant to K.S.A. 59-29b73, and amendments thereto.

(b) "Head of a treatment facility" means the administrative director of a treatment facility or such person's designee.

(c) "Law enforcement officer" means the same as defined in K.S.A. 22-2202, and amendments thereto.

(d) "Licensed addiction counselor" means a person who engages in the practice of addiction counseling limited to substance use disorders and who is licensed by the behavioral sciences regulatory board. Such person shall engage in the practice of addiction counseling in a state-licensed or certified alcohol and other drug treatment program or while completing a Kansas domestic violence offender assessment for participants in a certified batterer intervention program pursuant to K.S.A. 75-7d01 through 75-7d13, and amendments thereto, unless otherwise exempt from licensure under subsection (n).

(e) "Licensed clinical addiction counselor" means a person who engages in the independent practice of addiction counseling and diagnosis and treatment of substance use disorders specified in the edition of the American psychiatric association's diagnostic and statistical manual of mental disorders (DSM) designated by the board by rules and regulations and is licensed by the behavioral sciences regulatory board.

(f) "Licensed master's addiction counselor" means a person who engages in the practice of addiction counseling limited to substance use disorders and who is licensed under this act. Such person may diagnose substance use disorders only under the direction of a licensed clinical addiction counselor, a licensed psychologist, a person licensed to practice medicine and surgery or a person licensed to provide mental health services as an independent practitioner and whose licensure allows for the diagnosis and treatment of substance abuse disorders or mental disorders.

(g) "Other facility for care or treatment" means any mental health clinic, medical care facility, nursing home, the detox units at any state hospital, any physician or any other institution or individual authorized or licensed by law to give care or treatment to any person.

(h) "Patient" means a person who is a voluntary patient, a proposed patient or an involuntary patient.

(1) "Voluntary patient" means a person who is receiving treatment at a treatment facility pursuant to K.S.A. 59-29b49, and amendments thereto.

(2) "Proposed patient" means a person for whom a petition pursuant to K.S.A. 59-29b52 or 59-29b57, and amendments thereto, has been filed.

(3) "Involuntary patient" means a person who is receiving treatment under order of a court or a person admitted and detained by a treatment facility pursuant to an application filed pursuant to K.S.A. 59-29b54(b) or (c), and amendments thereto.

(i) "Person with an alcohol or substance abuse problem" means a person who: (1) Lacks self-control as to the use of alcoholic beverages or any substance as defined in subsection (m); or

(2) uses alcoholic beverages or any substance to the extent that the person's health may be substantially impaired or endangered without treatment.

(j) (1) "Person with an alcohol or substance abuse problem subject to involuntary commitment for care and treatment" means a person with an alcohol or substance abuse problem who also is incapacitated by alcohol or any substance and is likely to cause harm to self or others.

(2) "Incapacitated by alcohol or any substance" means that the person, as the result of the use of alcohol or any substance, has impaired judgment resulting in the person:

(A) Being incapable of realizing and making a rational decision with respect to the need for treatment; or

(B) lacking sufficient understanding or capability to make or communicate responsible decisions concerning either the person's well-being or estate.

(3) "Likely to cause harm to self or others" means that the person, by reason of the person's use of alcohol or any substance:

(A) 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; except that if the harm threatened, attempted or caused is only harm to the property of another, the harm must be of such a value and extent that the state's interest in protecting the property from such harm outweighs the person's interest in personal liberty; or

(B) is substantially unable, except for reason of indigency, to provide for any of the person's basic needs, such as food, clothing, shelter, health or safety, causing a substantial deterioration of the person's ability to function on the person's own.

(k) "Physician" means a person licensed to practice medicine and surgery as provided for in the Kansas healing arts act or a person who is employed by a state psychiatric hospital or by an agency of the United States and who is authorized by law to practice medicine and surgery within that hospital or agency.

(l) "Psychologist" means a licensed psychologist, as defined by K.S.A. 74-5302, and amendments thereto.

(m) "Substance" means:

(1) The same as the term "controlled substance" as defined in K.S.A. 21-5701, and amendments thereto; or

(2) fluorocarbons, toluene or volatile hydrocarbon solvents.

(n) "Treatment" means the broad range of emergency, outpatient, intermediate and inpatient services and care, including diagnostic evaluation, medical, psychiatric, psychological and social service care, vocational rehabilitation and career counseling, which may be extended to persons with an alcohol or substance abuse problem.

(o) (1) "Treatment facility" means a treatment program, public or private treatment facility, or any facility of the United States government available to treat a person for an alcohol or other substance abuse problem, but such term does not include a licensed medical care facility, a licensed adult care home, a facility licensed under K.S.A. 2015 Supp. 75-3307b, prior to its repeal, or under K.S.A. 39-2001 et seq., and amendments thereto, a community-based alcohol and drug safety action program certified under K.S.A. 8-1008, and amendments thereto, and performing only those functions for which the program is certified to perform under K.S.A. 8-1008, and amendments thereto, or a professional licensed by the behavioral sciences regulatory board to diagnose and treat mental disorders at the independent level or a physician, who may treat in the usual course of the behavioral sciences regulatory board licensee's or physician's professional practice individuals incapacitated by alcohol or other substances, but who are not primarily engaged in the usual course of the individual's professional practice in treating such individuals, or any state institution, even if detoxification services may have been obtained at such institution.

(2) "Private treatment facility" means a private agency providing facilities for the care and treatment or lodging of persons with either an alcohol or other substance abuse problem and meeting the standards prescribed in either K.S.A. 65-4013 or 65-4603, and amendments thereto, and licensed under either K.S.A. 65-4014 or 65-4607, and amendments thereto.

(3) "Public treatment facility" means a treatment facility owned and operated by any political subdivision of the state of Kansas and licensed under either K.S.A. 65-4014 or 65-4603, and amendments thereto, as an appropriate place for the care and treatment or lodging of persons with an alcohol or other substance abuse problem.

(p) The terms defined in ~~K.S.A. 59-3051~~ section 25 of 2025 House Bill No. 2359, and amendments thereto, shall have the meanings provided by that section.

Sec. 12. K.S.A. 2024 Supp. 72-5170 is hereby amended to read as follows: 72-5170. (a) (1) In order to accomplish the mission for Kansas education, the state board shall design and adopt a school district accreditation system based upon improvement in performance that equals or exceeds the educational goal set forth in K.S.A. 72-3218(c), and amendments thereto, and is measurable. The state board shall hold all school districts accountable through the Kansas education systems accreditation rules and regulations, or any successor accreditation system and accountability plan adopted by the state board. The state board also shall ensure that all school districts and the public schools operated by such districts have programs and initiatives in place for providing those educational capacities set forth in K.S.A. 72-3218(c), and amendments thereto. On or before January 15 of each year, the state board shall prepare and submit a report on the school district accreditation system to the governor and the legislature.

(2) The accountability measures established pursuant to paragraph (1) shall be applied both at the district level and at the school level. Such accountability measures

shall be reported by the state board for each school district and each school. All reports prepared pursuant to this section shall be published in accordance with K.S.A. 2024 Supp. 72-1181, and amendments thereto.

(3) If a school district is not fully accredited and a corrective action plan is required by the state board, such corrective action plan, and any subsequent reports prepared by the state board regarding the progress of such school district in implementing and executing such corrective action plan, shall be published on the state department of education's internet website and such school district's internet website in accordance with K.S.A. 2024 Supp. 72-1181, and amendments thereto.

(4) If a school district is not accredited, the superintendent, or the superintendent's designee, shall appear before the committee on education of the house of representatives and the committee on education of the senate during the regular legislative session that occurs during the same school year ~~in which~~ when such school district is not accredited. Such school district shall provide a report to such committees on the challenges and obstacles that are preventing such school district from becoming accredited.

(b) The state board shall establish curriculum standards that reflect high academic standards for the core academic areas of mathematics, science, reading, writing and social studies. The curriculum standards ~~shall~~ may be reviewed at least every seven years. The state board shall not substantially revise or update the English language arts or mathematics curriculum standards that are in effect on July 1, 2024, in a manner that would necessitate the development of new statewide assessments in English language arts or mathematics until the state board's long-term goal for all students submitted to the United States department of education in the consolidated state plan is achieved, such that 75% of all students score in performance levels 3 and 4 combined on the statewide assessments in English language arts and mathematics by 2030. Nothing in this subsection shall be construed in any manner so as to impinge upon any school district's authority to determine its own curriculum.

(c) (1) The state board shall provide for statewide assessments in the core academic areas of mathematics, science, reading, writing and social studies. The board shall ensure compatibility between the statewide assessments and the curriculum standards established pursuant to subsection (b). Such assessments shall be administered at three grade levels, as determined by the state board. The state board shall determine performance levels on the statewide assessments, the achievement of which represents high academic standards in the academic area at the grade level to which the assessment applies. The state board should specify high academic standards both for individual performance and school performance on the assessments.

(2) (A) On or before January 15 of each year, the state board shall prepare and submit to the legislature a report on students who take the statewide assessments. Such report shall include:

(i) The number of students and such number expressed as a percentage of the total number of students who took the statewide assessments during the immediately preceding school year disaggregated by core academic area and by grade level; and

(ii) the percentage of students who took the statewide assessments in grade 10 who, two years after graduating from high school, obtained some postsecondary education disaggregated by statewide assessment achievement level.

(B) When such information becomes available, or as soon thereafter as practicable,

the state board shall publish the information required for the report under subparagraph (A) on the website of the state department of education and incorporate such information in the performance accountability reports and longitudinal achievement reports required under K.S.A. 2024 Supp. 72-5178, and amendments thereto.

(C) The provisions of this paragraph shall expire on July 1, 2029.

(d) Each school year, on such date as specified by the state board, each school district shall submit the Kansas education system accreditation report to the state board in such form and manner as prescribed by the state board.

(e) Whenever the state board determines that a school district has failed either to meet the accreditation requirements established by rules and regulations or standards adopted by the state board or provide curriculum based on state standards and courses required by state law, the state board shall so notify the school district. Such notice shall specify the accreditation requirements that the school district has failed to meet and the curriculum that it has failed to provide. Upon receipt of such notice, the board of education of such school district is encouraged to reallocate the resources of the school district to remedy all deficiencies identified by the state board.

(f) Each school in every school district shall establish a school site council composed of the principal and representatives of teachers and other school personnel, parents of students attending the school, the business community and other community groups. School site councils shall be responsible for providing advice and counsel in evaluating state, school district, and school site performance goals and objectives and in determining the methods that should be employed at the school site to meet these goals and objectives. Site councils may make recommendations and proposals to the school board regarding budgetary items and school district matters, including, but not limited to, identifying and implementing the best practices for developing efficient and effective administrative and management functions. Site councils also may help school boards analyze the unique environment of schools, enhance the efficiency and maximize limited resources, including outsourcing arrangements and cooperative opportunities as a means to address limited budgets.

Sec. 13. K.S.A. 2024 Supp. 77-440, as amended by section 2 of 2025 Senate Bill No. 77, is hereby amended to read as follows: 77-440. (a) All rules and regulations adopted by state agencies under the provisions of K.S.A. 77-415 et seq., and amendments thereto, shall be reviewed every five years in accordance with this section.

(b) (1) Each state agency that has adopted rules and regulations shall submit a report to the joint committee on administrative rules and regulations on or before July 15 of the year that corresponds to such state agency under paragraph (2). Such report shall contain a summary of such state agency's review and evaluation of rules and regulations adopted by such state agency, including a statement for each rule and regulation as to whether such rule and regulation is necessary for the implementation and administration of state law or may be revoked pursuant to K.S.A. 77-426(d), and amendments thereto.

(2) Each state agency that has adopted rules and regulations shall submit a report as required under paragraph (1) in the years that correspond to such state agency as follows:

(A) For 2023 and every fifth year thereafter, the following state agencies:

- (i) Department of administration;
- (ii) municipal accounting board;

- (iii) state treasurer;
- (iv) Kansas department of agriculture;
- (v) Kansas department of agriculture—division of water resources;
- (vi) state election board;
- (vii) secretary of state;
- (viii) Kansas department of agriculture—division of animal health;
- (ix) Kansas bureau of investigation;
- (x) Kansas department of agriculture—division of conservation;
- (xi) agricultural labor relations board;
- (xii) Kansas department of revenue—division of alcoholic beverage control;
- (xiii) attorney general;
- (xiv) office of the state bank commissioner;
- (xv) employee award board;
- (xvi) ~~governmental ethics~~ Kansas public disclosure commission;
- (xvii) crime victims compensation board;
- (xviii) Kansas human rights commission; and
- (xix) state fire marshal;
- (B) for 2024 and every fifth year thereafter, the following state agencies:
 - (i) Kansas wheat commission;
 - (ii) Kansas department for aging and disability services;
 - (iii) Kansas energy office;
 - (iv) department of health and environment;
 - (v) Kansas department for children and families;
 - (vi) Kansas department of transportation;
 - (vii) Kansas highway patrol;
 - (viii) savings and loan department;
 - (ix) Kansas turnpike authority;
 - (x) insurance department;
 - (xi) corrections ombudsman board;
 - (xii) department of corrections;
 - (xiii) Kansas prisoner review board;
 - (xiv) mined-land conservation and reclamation (KDHE);
 - (xv) department of labor—employment security board of review;
 - (xvi) department of labor;
 - (xvii) department of labor—division of employment; and
 - (xviii) department of labor—division of workers compensation;
- (C) for 2025 and every fifth year thereafter, the following state agencies:
 - (i) State records board;
 - (ii) state library;
 - (iii) adjutant general's department;
 - (iv) state board of nursing;
 - (v) Kansas board of barbering;
 - (vi) state board of mortuary arts;
 - (vii) board of examiners in optometry;
 - (viii) state board of technical professions;
 - (ix) Kansas board of examiners in fitting and dispensing of hearing instruments;
 - (x) state board of pharmacy;

- (xi) Kansas state board of cosmetology;
- (xii) state board of veterinary examiners;
- (xiii) Kansas dental board;
- (xiv) board of accountancy;
- (xv) state bank commissioner—consumer and mortgage lending division;
- (xvi) Kansas public employees retirement system;
- (xvii) office of the securities commissioner; and
- (xviii) Kansas corporation commission;
- (D) for 2026 and every fifth year thereafter, the following state agencies:
 - (i) Public employee relations board;
 - (ii) abstracters' board of examiners;
 - (iii) Kansas real estate commission;
 - (iv) state board of regents;
 - (v) school retirement board;
 - (vi) state department of education;
 - (vii) Kansas department of revenue;
 - (viii) Kansas department of revenue—division of property valuation;
 - (ix) state board of tax appeals;
 - (x) Kansas office of veterans services;
 - (xi) Kansas water office;
 - (xii) Kansas department of agriculture—division of weights and measures;
 - (xiii) state board of healing arts;
 - (xiv) behavioral sciences regulatory board;
 - (xv) state bank commissioner and savings and loan commissioner—joint regulations;
 - (xvi) consumer credit commissioner, credit union administrator, savings and loan commissioner and bank commissioner—joint regulations;
 - (xvii) state board of indigents' defense services;
 - (xviii) Kansas commission on peace officers' standards and training; and
 - (xix) law enforcement training center; and
- (E) for 2027 and every fifth year thereafter, the following state agencies:
 - (i) Kansas state employees health care commission;
 - (ii) emergency medical services board;
 - (iii) department of commerce;
 - (iv) Kansas lottery;
 - (v) Kansas racing and gaming commission;
 - (vi) Kansas department of wildlife and parks;
 - (vii) Kansas state fair board;
 - (viii) real estate appraisal board;
 - (ix) state historical society;
 - (x) state department of credit unions;
 - (xi) pooled money investment board;
 - (xii) department of corrections—division of juvenile services;
 - (xiii) state child death review board;
 - (xiv) Kansas agricultural remediation board;
 - (xv) unmarked burial sites preservation board;
 - (xvi) Kansas housing resources corporation;

- (xvii) department of commerce—Kansas athletic commission;
- (xviii) department of health and environment—division of health care finance;
- (xix) home inspectors registration board;
- (xx) committee on surety bonds and insurance;
- (xxi) 911 coordinating council; and
- (xxii) office of administrative hearings.

(c) For any state agency not listed in subsection (b)(2) that adopts rules and regulations that become effective on or after July 1, 2022, such state agency shall submit a report to the joint committee on administrative rules and regulations in accordance with subsection (b)(1) on or before July 15 of the fifth year after such rules and regulations become effective and every fifth year thereafter.

(d) Notwithstanding any other provision of law, a rule and regulation may be adopted or maintained by a state agency only if such rule and regulation serves an identifiable public purpose to support state law and may not be broader than is necessary to meet such public purpose.

(e) This section shall be a part of and supplemental to the rules and regulations filing act, K.S.A. 77-415 et seq., and amendments thereto.

Sec. 14. K.S.A. 17-7929, as amended by section 4 of 2025 House Bill No. 2117, 17-7929, as amended by section 33 of 2025 House Bill No. 2371, 25-4180, as amended by section 1 of 2025 House Bill No. 2106, 25-4180, as amended by section 15 of 2025 House Bill No. 2206, 40-252, as amended by section 9 of 2025 House Bill No. 2050, 40-252, as amended by section 15 of 2025 House Bill No. 2334, 40-3401, as amended by section 1 of 2025 House Bill No. 2039, and 40-3401, as amended by section 7 of 2025 House Bill No. 2249, and K.S.A. 2024 Supp. 8-1,141, 8-1,141a, 21-5705a, 39-923, 39-923b, 39-2009, 39-2009a, 40-4302, as amended by section 24 of 2025 House Bill No. 2334, 40-4302, as amended by section 30 of 2025 House Bill No. 2050, 72-5170, 72-5170a, 77-440, as amended by section 2 of 2025 Senate Bill No. 77, and 77-440, as amended by section 28 of 2025 House Bill No. 2206, are hereby repealed.

Sec. 15. On and after January 1, 2026, K.S.A. 2024 Supp. 59-2946, as amended by section 10 of 2025 House Bill No. 2249, 59-2946, as amended by section 157 of 2025 House Bill No. 2359, 59-29b46, as amended by section 11 of 2025 House Bill No. 2249, 59-29b46, as amended by section 151 of 2025 House Bill No. 2359, and 59-3077, as amended by section 14 of 2025 House Bill No. 2249, are hereby repealed.

Sec. 16. On and after July 1, 2026, K.S.A. 2024 Supp. 45-229, as amended by section 1 of 2025 House Bill No. 2166, and 45-229, as amended by section 11 of chapter 95 of the 2024 Session Laws of Kansas, are hereby repealed.";

Also on page 376, in line 34, 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 all in lines 2 through 9; in line 10, by striking all before the period and inserting "reconciling multiple amendments to certain statutes; amending K.S.A. 17-7929, as amended by section 4 of 2025 House Bill No. 2117, 25-4180, as amended by section 1 of 2025 House Bill No. 2106, 40-252, as amended by section 9 of 2025 House Bill No. 2050, and 40-3401, as amended by section 1 of 2025 House Bill No. 2039, and K.S.A. 2024 Supp. 8-1,141, 39-923, 39-2009, 40-4302, as amended by section 24 of 2025 House Bill No. 2334, 45-229, as amended by section 1 of 2025 House Bill No. 2166, 59-2946, as

amended by section 10 of 2025 House Bill No. 2249, 59-29b46, as amended by section 11 of 2025 House Bill No. 2249, 72-5170 and 77-440, as amended by section 2 of 2025 Senate Bill No. 77, and repealing the existing sections; also repealing K.S.A. 17-7929, as amended by section 33 of 2025 House Bill No. 2371, 25-4180, as amended by section 15 of 2025 House Bill No. 2206, 40-252, as amended by section 15 of 2025 House Bill No. 2334, and 40-3401, as amended by section 7 of 2025 House Bill No. 2249, and K.S.A. 2024 Supp. 8-1,141a, 21-5705a, 39-923b, 39-2009a, 40-4302, as amended by section 30 of 2025 House Bill No. 2050, 45-229, as amended by section 11 of chapter 95 of the 2024 Session Laws of Kansas, 59-2946, as amended by section 157 of 2025 House Bill No. 2359, 59-29b46, as amended by section 151 of 2025 House Bill No. 2359, 59-3077, as amended by section 14 of 2025 House Bill No. 2249, 72-5170a and 77-440, as amended by section 28 of 2025 House Bill No. 2206";

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

RICK BILLINGER, J.R. CLAEYS, PAT PETTEY—*Conferees on part of Senate*

TROY WAYMASTER, KRISTEY WILLIAMS, BARBARA BALLARD—*Conferees on part of House*

Senator Blasi moved the Senate adopt the Conference Committee Report on **S Sub Sub HB 2007**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettey, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Tyson, Ware, Warren.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2275** 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 12, following line 18, by inserting:

"(40) The board of county commissioners of Seward county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of roadway and bridge construction, maintenance and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after 10 years from the date such tax is first collected. The countywide retailers' sales tax imposed pursuant to this paragraph may be extended or reenacted for additional 10-year periods upon the board of county commissioners of Seward county submitting such question to the electors at an election called and held thereon for each additional 10-year period as provided by law.

(41) The board of county commissioners of Jackson county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of supporting hospital services in the

county to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after 10 years from the date such tax is first collected.";

On page 17, in line 30, by striking "and"; in line 34, after "1%" by inserting "; and

(oo) the board of county commissioners of Seward county, for the purposes of K.S.A. 12-187(b)(40), and amendments thereto, may fix such rate at a percentage that is equal to the sum of the rate otherwise allowed pursuant to this section, plus 0.5%; and

(pp) the board of county commissioners of Jackson county, for the purposes of K.S.A. 12-187(b)(41), and amendments thereto, may fix such rate at a percentage that is equal to the sum of the rate otherwise allowed pursuant to this section, plus 0.25%";

On page 19, in line 23, after "year" by inserting ", except that the apportionment pursuant to this provision shall not change between July 1, 2025, and December 31, 2026";

On page 21, in line 11, by striking the first "and" and inserting a comma; also in line 11, after "(39)" by inserting ", (40) and (41)";

On page 22, following line 9, by inserting:

"Sec. 4. K.S.A. 79-3651 is hereby amended to read as follows: 79-3651. (a) For the purpose of the proper administration of the Kansas retailers' sales tax act and to prevent evasion of the tax imposed thereunder, it shall be presumed that all gross receipts from the sale of tangible personal property or enumerated services are subject to tax until the contrary is established. The burden of proving that a sale is not subject to tax is upon the seller unless the seller takes from the purchaser an exemption certificate to the effect that the property or service purchased is not subject to tax.

(b) An exemption certificate shall relieve the seller from collecting and remitting tax if the seller has obtained the required identifying information as determined by the director, from the purchaser and the reason for claiming the exemption at the time of purchase and has maintained proper records of exempt transactions pursuant to ~~subsection (a)~~ of K.S.A. 79-3609(a), and amendments thereto, and provided them to the director when requested, except that no such relief from liability shall apply to a seller who: Fraudulently fails to collect the tax; solicits purchasers to participate in the unlawful claim of an exemption; accepts an exemption certificate claiming an entity based exemption when the subject of the transaction is actually received by the purchaser at a location operated by the seller and the director provides an exemption certificate that clearly and affirmatively indicates that the claimed exemption is not available. The seller shall obtain the same information for proof of a claimed exemption regardless of the medium in which the transaction occurred. The purchaser improperly claiming an exemption shall remain liable for the nonpayment of tax.

(c) The exemption certificate shall be substantially in such form as the director may prescribe. The seller shall use the standard form for claiming an exemption electronically as adopted by the director. A seller may require a purchaser to provide a copy of the purchaser's sales tax registration certificate with a resale certificate as a condition for honoring the purchaser's resale exemption claim, except that in the case of drop shipment sales into this state, the third party vendor may claim a resale exemption based on an exemption certificate provided by its customer, re-seller, or any other information acceptable to the secretary available to the third party vendor evidencing qualification for a resale exemption, regardless of whether the customer, re-seller, is registered to collect and remit sales and use tax in this state. A purchaser is not required to provide a signature to claim an exemption from tax unless a paper exemption

certificate is used. A seller is relieved of liability for the tax otherwise applicable if it obtains a blanket exemption certificate for a purchaser with which the seller has a recurring business relationship. Such blanket certificate need not be renewed or updated by the seller for exemption certificate information or data elements when there is a recurring business relationship between the buyer and seller. For purposes of this subsection, a recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.

(d) To lawfully present a resale exemption certificate the purchaser must be engaged in the business of selling property or services of the same kind that is purchased, hold a registration certificate, except as otherwise permitted in subsection (c) for drop shipment sales into this state, and at the time of purchase, either intend to resell the property in the regular course of business or be unable to ascertain whether the property will be resold or used for some other purpose. A resale exemption certificate may be used for resale of services to tangible personal property and not for services to real property.

(e) Any person who issues a resale certificate or other exemption certificate in order to unlawfully avoid payment of tax for business or personal gain shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or by both. In addition, if the director determines that a person issued a resale certificate in order to unlawfully avoid payment of tax for business or personal gain, the director shall increase any penalty that is due from the person under K.S.A. 79-3615, and amendments thereto, by \$250 or 10 times the tax due, whichever is greater, on each transaction where the misuse of a resale certificate occurred.

(f) Exemption certificates issued by an entity claiming a specific exemption under K.S.A. 79-3606, and amendments thereto, based on the status of the entity shall bear the name, address of the entity and identification number issued to the entity pursuant to K.S.A. 79-3692, and amendments thereto. Such certificate shall be signed by an authorized person of the nonprofit entity, if in paper form, and contain the tax identification number of the entity. The certificate shall be substantially in such form as the director may prescribe. A seller may require that payments be made on an exempt entity's check, warrant, voucher or charged to the entity's account as a condition for honoring the entity's exemption claim.

(g) It shall be the duty of every person who purchases tangible personal property or services that are taxable under this act to pay the full amount of tax that is lawfully due to the retailer making the sale. Any person who willfully and intentionally refuses to pay such tax to the retailer shall be guilty of a misdemeanor and upon conviction shall be punished and fined as provided by ~~subsection (g) of~~ K.S.A. 79-3615(h), and amendments thereto.

(h) On and after July 1, 2024, notwithstanding any provisions to the contrary in this section or any other provision of law, purchasers claiming an exemption pursuant to K.S.A. 79-3606(rrrr), and amendments thereto, shall not be required to provide an exemption certificate or form to the seller, and the seller shall not be required to receive and maintain a completed exemption certificate or form for such exempt transactions. If the seller in the ordinary course of business believes that the service qualifies for the exemption pursuant to K.S.A. 79-3606(rrrr), and amendments thereto, the seller shall be relieved from collecting and remitting the tax and shall not have the burden of proving

that the service is not subject to tax pursuant to subsection (a). A purchaser improperly claiming the exemption shall remain liable for the nonpayment of tax.";

Also on page 22, in line 10, before "K.S.A." by inserting "K.S.A. 79-3651 and";

And by renumbering sections accordingly;

On page 1, in the title, in line 5, by striking "and" and inserting a comma; in line 7, after "operations" by inserting ", for Seward county for the purpose of financing the costs of roadway and bridge construction, maintenance and improvement in the county and for Jackson county for the purpose of supporting hospital services in the county; providing that countywide retailers' sales tax apportionment based on tangible property tax levies remain unchanged until December 31, 2026; relating to exemptions; excluding exempt sales of certain custom meat processing services from exemption certificate requirements"; in line 8, before "K.S.A." by inserting "K.S.A. 79-3651 and";

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

CARYN TYSON, VIRGIL PECK, ETHAN CORSON—*Conferees on part of Senate*

ADAM SMITH, CARL TURNER, TOM SAWYER—*Conferees on part of House*

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2275**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettet, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Tyson, Ware, Warren.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2289** 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 12 through 35;

By striking all on pages 2 through 6;

On page 7, by striking all in lines 1 through 20; following line 20, by inserting:

"Section 1. K.S.A. 2024 Supp. 79-32,306 is hereby amended to read as follows: 79-32,306. (a) For all taxable years commencing after December 31, 2022, except as provided in subsection (i), there shall be allowed a credit against the income tax liability imposed pursuant to the Kansas income tax act, the privilege tax liability imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, or the premium tax liability imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, for each qualified development for each year of the credit period, in an amount equal to the federal tax credit allocated or allowed by the KHRC to such qualified development, except that there shall be no reduction in the credit allowable in the first year of the credit period due to the

calculation in section 42(f)(2) of the federal internal revenue code.

(b) The KHRC shall issue an allocation certificate to an owner of a qualified development to which a credit has been allocated. The KHRC shall issue an allocation certificate to the qualified development simultaneously with issuance of federal form 8609 with respect to the federal tax credits.

(c) All allocations shall be made pursuant to the qualified allocation plan.

(d) If an owner of a qualified development receiving an allocation of a credit is a pass-through entity, the owner may allocate the credit among its partners or members in any manner agreed to by such persons regardless of whether: (1) Any such person is allocated or allowed any portion of any federal tax credit with respect to the qualified project; (2) the allocation of the credit under the terms of the agreement has substantial economic effect within the meaning of section 704(b) of the federal internal revenue code; or (3) any such person is deemed a partner for federal income tax purposes, if the partner or member would be considered a partner or member under applicable state law governing such entity and has been admitted as a partner or member on or prior to the date for filing the qualified taxpayer's tax return, including any amendments to such tax return, with respect to the year of the credit. In the case of multiple tiers of pass-through entities, the credit may be so allocated through any number of pass-through entities in any manner agreed by the owners of such pass-through entities, none of which shall be considered a transfer. Any pass-through entity allocating a credit to its partners or members shall attach a pass-through certification to its tax return annually. Each partner or member shall be allowed to claim or further allocate such amount subject to any restrictions set forth in this act.

(e) An owner of a qualified development to which a credit has been allocated and each qualified taxpayer to which such owner has allocated a portion of such credit, if any, shall file with their state income, privilege or premium tax return a copy of the allocation certificate issued by the KHRC with respect to such qualified development and a copy of any pass-through certification, as prescribed by the director.

(f) No credit shall be allocated pursuant to this act unless the qualified development is the subject of a recorded restrictive covenant requiring the development to be maintained and operated as a qualified development and is in accordance with the accessibility and adaptability requirements of the federal tax credits and title VIII of the civil rights act of 1968, as amended by the fair housing amendments act of 1988, for a period of 15 taxable years, or such longer period as may be agreed to between the KHRC and the owner of the qualified development, beginning with the first taxable year of the credit period.

(g) The allocated credit amount may be taken against the income, privilege or premium taxes imposed for each taxable year of the credit period. Any amount of credit that exceeds the income, privilege or premium tax liability of a qualified taxpayer for a taxable year may be carried forward as a credit against subsequent years' tax liability up to 11 tax years following the tax year in which the allocation was made and shall be applied first to the earliest years possible. Any amount of the credit that is not used shall not be refunded to the taxpayer.

(h) Unless otherwise provided in this act or the context or law requires otherwise, the KHRC shall determine eligibility for a credit and allocate credits in accordance with the standards and requirements set forth in section 42 of the federal internal revenue code. Any combination of federal tax credits and credits allowed pursuant to this act

shall be the least amount necessary to ensure the financial feasibility of a qualified development.

(i) (1) Notwithstanding the foregoing provisions, the total amount of Kansas affordable housing tax credits awarded by the KHRC to all qualified developments for qualified allocation plan year 2025 shall not exceed \$25,000,000. Commencing with the qualified allocation plan adopted for 2026 and ending with the qualified allocation plan adopted for 2028, the total amount of Kansas affordable housing tax credits awarded by the KHRC to all qualified developments in each qualified allocation plan year shall not exceed \$8,800,000. On and after November 15, 2025, the KHRC shall not accept any application for, or award any additional allocation of, credit under this act to a qualified development receiving a 4% federal tax credit, which is defined as a qualified development financed by tax-exempt bonds as provided under section 42(h)(4) of the federal internal revenue code. The KHRC shall continue to award credit under this act to qualified developments receiving 9% federal tax credits in accordance with the provisions of this act for the 2026, 2027 and 2028 qualified allocation plans. A qualified development receiving a 4% federal tax credit awarded a credit allocation under this act by the KHRC on or before November 14, 2025, pursuant to the 2025 qualified allocation plan or any previous qualified allocation plan, shall continue to receive the awarded credit throughout the authorized credit period and any applicable carryforward period.

(2) Subsequent to awards for the 2028 qualified allocation plan, the KHRC shall not accept any application for, or award any additional allocation of, credit under this act in any amount to a qualified development. No credits under this act shall be allocated or awarded after the 2028 qualified allocation plan or after December 31, 2028. A qualified development receiving a 9% federal tax credit awarded a credit allocation under this act by the KHRC pursuant to the 2028 qualified allocation plan or any previous qualified allocation plan shall continue to receive the awarded credit throughout the authorized credit period and any applicable carryforward period.

Sec. 2. K.S.A. 2024 Supp. 79-32,313 is hereby amended to read as follows: 79-32,313. (a) (1) For tax year 2022 and all tax years thereafter, a credit against the income tax liability imposed pursuant to the Kansas income tax act, the privilege tax liability imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, or the premium tax liability imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, shall be allowed to:

(A) A qualified investor for a cash investment in a qualified housing project that has been approved and issued a tax credit by the director. The tax credit may be claimed in its entirety in the taxable year the cash investment is made; and

(B) a project builder or developer of a qualified housing project that has been approved and issued a tax credit by the director.

(2) To claim such tax credit, the qualified investor, project builder or developer or transferee shall provide all information or documentation in the form and manner required by the secretary of revenue. If the amount of the credit exceeds the taxpayer's tax liability in any one taxable year, the remaining portion of the credit may be carried forward in the succeeding taxable years until the total amount of the credit is used, except that no credit may be claimed after four taxable years next succeeding the

taxable year that such credit was issued, and any remaining credit shall be forfeited. Any portion of the credit that is carried forward may be transferred pursuant to subsection (d) and claimed by the transferee in the same manner as the transferor.

(b) (1) Tax credits may be issued by the director for a qualified housing project as follows:

(A) For qualified housing projects located in a county with a population of not more than 8,000, in an amount of not to exceed \$35,000 per residential unit;

(B) for qualified housing projects located in a county with a population of more than 8,000 but not more than 25,000, in an amount of not to exceed \$32,000 per residential unit; and

(C) for all other qualified housing projects, in an amount of not to exceed \$30,000.

(2) A qualified housing project shall be limited to a total of 40 such residential units per year for both single-family and multi-family dwellings.

(3) Tax credits may be issued to a qualified investor in the amount of a cash investment of up to the total amount that may be issued by the director under this subsection for the qualified housing project, or as provided in the agreement required by K.S.A. 2024 Supp. 79-32,312, and amendments thereto. Project builders or developers may apply to the director each year for tax credits for additional units or phases of a project. Qualified investors may be issued tax credits for cash investments in multiple qualified housing projects. Project builders or developers may apply and be approved for multiple qualified housing projects in the same tax year.

(4) The aggregate amount of tax credits that may be issued under this section shall not exceed \$13,000,000 each tax year, except that if the director issues an aggregate amount of tax credits in one tax year that is less than \$13,000,000, then the director may carry forward the difference and issue such amount of tax credits in the immediately succeeding tax year in addition to the statutory amount that may be issued under this section. Of the aggregate amount of tax credits issued in one tax year, the director shall allocate:

(A) Not less than \$2,500,000 in tax credits for qualified housing projects located in counties with a population of not more than 8,000;

(B) not less than \$2,500,000 in tax credits for qualified housing projects located in counties with a population of more than 8,000 but not more than 25,000; and

(C) up to \$8,000,000 in tax credits for qualified housing projects located in counties with a population of more than 25,000 but not more than 75,000.

(c) A cash investment in a qualified housing project shall be deemed to have been made on the date of acquisition of the qualified security, as such date is determined by the director.

(d) Any qualified investor who receives a tax credit pursuant to this section shall be deemed to acquire an interest in the nature of a transferable credit limited to the amount of the credit issued to the qualified investor by the director. All or a portion of such credit may be transferred by the qualified investor or any subsequent transferee to one or more persons, whether or not such transferee is then a qualified investor, and ~~be claimed by the transferee as a credit against the transferee's Kansas tax liability in the same manner as the transferor beginning in the year the credit is transferred provided in subsection (a) beginning in the year that the cash investment was originally made by the qualified investor.~~ The credit may be carried forward as permitted by subsection (a). There shall be no limit on the number of times a credit or any portion thereof can be

transferred. No person shall be entitled to a refund for any interest on such tax credit that may be created under this section. A credit acquired by transfer shall be subject to the limitations prescribed in this section. Any such transferee succeeds to all remaining rights and restrictions of the transferor with respect to the credit being transferred on the date of such transfer. Documentation of any credit acquired by transfer shall be provided by the taxpayer claiming such credit in the manner required by the secretary of revenue. The qualified investor or subsequent transferee transferring such credit shall provide the director and the secretary of revenue with the name, address and taxpayer identification number of each person to whom credits have been transferred and such other information as may be required by the director or the secretary of revenue. The provisions of this subsection shall apply to credits issued for tax year 2022 and all tax years thereafter.

(e) The secretary of revenue may adopt rules and regulations as necessary to implement and administer the provisions of this act.

(f) For purposes of calculating any tax due under K.S.A. 40-253, and amendments thereto, the credit allowed by this section shall be treated as a tax paid under K.S.A. 40-252, and amendments thereto.

(g) The provisions of subsection (d), as amended by this act, shall apply retroactively to any credits issued for tax year 2022 and all tax years thereafter.

Sec. 3. K.S.A. 2024 Supp. 79-32,306 and 79-32,313 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.";

On page 1, in the title, in line 1, by striking all after "concerning"; by striking lines 2 through 8; in line 9, by striking all before the period and inserting "taxation; relating to the Kansas affordable housing tax credit act; discontinuing such credit for qualified developments receiving a 4% federal tax credit; limiting the aggregate amount of such credit and discontinuing such credit after qualified allocation plan year 2028; relating to the Kansas housing investor tax credit; providing for transferability of credits from the year that the credit was originally issued; amending K.S.A. 2024 Supp. 79-32,306 and 79-32,313 and repealing the existing sections";

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

LARRY ALLEY, STEPHEN OWENS, MARY WARE—*Conferees on part of Senate*

SEAN TARWATER, ADAM TURK, TOM SAWYER—*Conferees on part of House*

Senator Owens moved the Senate adopt the Conference Committee Report on **HB 2289**.

On roll call, the vote was: Yeas 33; Nays 7; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Argabright, Billinger, Blasi, Blew, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettey, Rose, Ryckman, Shane, Starnes, Thomas, Titus, Ware, Warren.

Nays: Corson, Holscher, Schmidt, Shallenburger, Sykes, Thompson, Tyson.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2335** 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 35;

By striking all on pages 2 through 4;

On page 5, by striking all in lines 1 through 31; following line 31 by inserting:

"Section 1. (a) On and after January 1, 2026, any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less who is a resident of Kansas, upon compliance with the provisions of this section, may be issued one hunter nation license plate for each such passenger vehicle or truck. Such license plate shall be issued for the same 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, and the payment to the county treasurer of the logo use royalty payment.

(b) Hunter nation, inc., may authorize the use of the organization's logo to be affixed on license plates as provided by this section. Any motor vehicle owner or lessee shall pay an amount of not less than \$25 nor more than \$100, as determined by hunter nation, inc., as a logo use royalty payment for each such license plate to be issued. The logo use royalty payment shall be paid to the county treasurer.

(c) Any applicant for a license plate authorized by this section may make application for such 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, and any applicant for such license plate shall pay to the county treasurer the logo use royalty payment. Application for registration of a passenger vehicle or truck 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.

(d) No registration or license plate issued under this section shall be transferable to any other person.

(e) The director of vehicles may transfer a hunter nation license plate from a leased vehicle to a purchased vehicle.

(f) 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(b), and amendments thereto. No renewal of registration shall be made to any applicant until such applicant provides to the county treasurer the annual royalty payment. If such annual royalty payment is not made to the county treasurer, the applicant shall be required to comply with the provisions of K.S.A. 8-143, and amendments thereto, and return the license plate to the county treasurer of such person's residence.

(g) Hunter nation, inc., with the approval of the director of vehicles, shall design a plate to be issued under the provisions of this section.

(h) As a condition of receiving the hunter nation license plate and any subsequent registration renewal of such license plate, the applicant shall consent to the division authorizing the division's release of motor vehicle record information, including the applicant's name, address, royalty payment amount, plate number and vehicle type to

hunter nation, inc., and the state treasurer.

(i) The collection and remittance of annual royalty payments by the county treasurer shall be subject to the provisions of K.S.A. 8-1,141(h), and amendments thereto, except that payments from the hunter nation license plate royalty fund shall be made on a monthly basis to hunter nation foundation, inc.";

Also on page 5, in line 33, 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 and 3; in line 4, by striking all before the period and inserting "motor vehicles; relating to distinctive license plates; providing for the hunter nation distinctive license plate";

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

CARYN TYSON, VIRGIL PECK, ETHAN CORSON—*Conferees on part of Senate*
ADAM SMITH, CARL TURNER, TOM SAWYER—*Conferees on part of House*

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2335**.

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

Yeas: Alley, Argabright, Billinger, Blasi, Bowers, Bowser, J.R. Claeys, Joseph Claeys, Clifford, Corson, Dietrich, Erickson, Fagg, Faust Goudeau, Francisco, Gossage, Haley, Holscher, Klemp, Kloos, Masterson, Murphy, Owens, Peck, Petersen, Pettay, Rose, Ryckman, Schmidt, Shallenburger, Shane, Starnes, Sykes, Thomas, Thompson, Titus, Tyson, Ware, Warren.

Nays: Blew.

The Conference Committee Report was adopted.

CHANGE OF CONFERENCE

Senators Alley, Owens and Ware are appointed to replace Senators Petersen, Kloos and Corson as members of the conference committee on **SB 98**.

REPORT ON ENROLLED BILLS, CONCURRENT AND SENATE RESOLUTIONS

SR 1716, SR 1719, SR 1720 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on April 11, 2025.

TRIBUTES

The Committee on **Organization, Calendar, and Rules** authorizes the following tributes for the week of April 10 through April 11, 2025:

Senator Argabright: congratulating the Olpe Boys Basketball Team on winning the 2025 1A DI State Championship;

Senator Blasi: congratulating the Goddard Boys Wrestling Team on winning the 2025 5A State Championship;

Senator Bowers: congratulating Drew Mahin on winning the Track and Field and Cross Country Coach of the Year Award, congratulating Wagon Wheel Cafe on receiving the 2025 Business of the Year Award, congratulating Dan Klinger on receiving the 2025 Community Service Volunteer Award, congratulating Crownover Auto Sales on receiving the 2025 Small Business of the Year Award, congratulating

Blue River EyeCare on receiving the 2025 Business Design and Beautification Award, congratulating Pat Brummett on being named the 2024 City of Russell Employee of the Year, congratulating Sharon Kessinger on receiving the 2025 Volunteer of the Year Award, congratulating Ashley Mai on being named the 2024 Citizen of the Year, congratulating Brogan Monty on winning a state wrestling championship and being named wrestler of the year, congratulating Tim Ohlde on receiving the Kansas Ag Bankers Pioneer Award, congratulating Jamie Rathbun on receiving the 2024-25 Extension Award, congratulating Azlyn Sweet on receiving the 2025 Outstanding Customer Service Award, congratulating Heather Hillegeist on receiving the 2025 Clerk/Finance Officer of the Year Award, celebrating Pauline McMillan's 100th Birthday, congratulating Alan Myers on his retirement, congratulating Kim Goodnight on his retirement;

Senator Faust Goudeau: extending official recognition to the Omega Psi Phi Fraternity for their 76th Annual Eight District Regional Meeting;

Senator Haley: celebrating Larnell Johnson's 100th Birthday;

Senator Holscher: congratulating the Johnson County Cavaliers Women's Basketball Team on winning the 2025 NJCAA Division II National Championship; and

Senator Masterson: thanking Larry Perry for his service to the Kansas Senate.

As provided by **HCR 5018** Senator Blasi moved the Senate adjourn until 2:00 p.m., Monday, January 12, 2026.

President Masterson thereupon announced: "By virtue of the authority vested in me as President of the Senate, I now declare the 2025 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 98, SB 156, SB 186, SB 204, SB 237 approved on April 24, 2025.

REGARDING VETO OF SENATE BILL 24

The Kansas Promise Scholarship Program provides financial support to Kansans to help them cover the cost of a two-year degree or technical training program. Currently the program is limited to not-for-profit schools. **Senate Bill 24** would allow two private, for-profit institutions to participate in the program.

I have serious concerns about the precedent that would be set by providing state funding to for-profit educational institutions that are not accountable to the state or taxpayers. This program is meant to support Kansans as they pursue an education, not funnel public money to private, for-profit institutions.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **Senate Bill 24**.

LAURA KELLY, *Governor* (April 24, 2025)

The message was received on April 24, 2025. The veto message having been received after the Senate adjourned Sine Die, there was no opportunity to reconsider **SB 24**.

MESSAGES FROM THE HOUSE

The House adopts the Conference Committee report on **SB 82**.

The House adopts the Conference Committee report on **HB 2289**.

The House adopts the Conference Committee report on **S Sub Sub HB 2007**.

Announcing the House here with transmits certificate of action by the House of Representatives on **SB 79**, AN ACT concerning public assistance; relating to food assistance; directing the secretary for children and families to request a waiver from the supplemental nutrition assistance program that would allow the state to prohibit purchase of candy and soft drinks with food assistance; amending K.S.A. 2024 Supp. 39-709 and repealing the existing sections.

The veto message from the Governor having been received, members were given the opportunity to reconsider **SB 79**. No motion being made, the bill did not pass and the veto was sustained.

Announcing the House herewith transmits a veto message from the Governor on **S Sub HB 2228**, AN ACT concerning contingent fee contracts for legal services; relating to contracts entered into for legal services by a political subdivision; requiring an open meeting before a political subdivision may approve such a contract; requiring the attorney general to approve such contract before such contract becomes effective., which was received on April 9, 2025 and was read before the House on April 10, 2025.

The veto message from the Governor having been received, members where given the opportunity to reconsider **S Sub HB 2228**. No motion being made, the bill did not pass and the veto was sustained.

Announcing the House herewith transmits a veto message from the Governor on **HB 2028**, AN ACT concerning wildlife; relating to hunting and fishing and hunting and fishing licenses; requiring the Kansas department of wildlife and parks to offer discounted resident senior combination hunting and fishing passes to residents of this state who are 65 years of age or older; increasing the maximum age to qualify for Kansas kids lifetime combination hunting and fishing licenses and removing the expiration date for such licenses; prohibiting nonresidents from hunting migratory waterfowl during certain times and places; increasing fees for migratory waterfowl stamps; amending K.S.A. 32-939 and K.S.A. 2024 Supp. 32-988 and 32-9,101 and repealing the existing sections; reviving and amending K.S.A. 32-9,100 and repealing the revived section; also repealing K.S.A. 32-9,100, as amended by section 64 of chapter 7 of the 2023 Session Laws of Kansas., which was received on April 9, 2025 and was read before the House on April 10, 2025.

The veto message from the Governor having been received, members where given the opportunity to reconsider **HB 2028**. No motion being made, the bill did not pass and the veto was sustained.

REPORT ON ENROLLED BILLS, CONCURRENT AND SENATE RESOLUTIONS

SB 24, SB 98, SB 156, SB 186, SB 204, SB 237 reported correctly enrolled, properly signed and presented to the Governor on April 18, 2025.