

SESSION OF 2026

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 450**

As Amended by Senate Committee on  
Government Efficiency

**Brief\***

SB 450, as amended, would establish a monetary reward program for state employees who report activities of fraud, waste, or abuse in any state-administered program to the Secretary of Administration (Secretary).

The bill would require a state employee making a report under the provisions of the bill to declare such, and would provide that the Secretary consult with either the Office of Inspector General or the Attorney General to determine if such report results in savings to the State.

If such report is determined to result in a savings to the State, the bill would grant the state employee a monetary reward of 10.0 percent of the state savings after the deduction of the costs to investigate and recover such claims and the Secretary has collected the funds to be awarded.

The bill would also prohibit the Secretary from granting an award, unless the state employee is the original source of the information, if:

- The Office of Inspector General or Attorney General had independent knowledge of the activity;
- The Office of Inspector General or Attorney General had an open complaint or investigation on the person or entity named in the report;

---

\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

- The State or any agent of the State was a party to civil or criminal proceedings in which the allegations were disclosed;
- The allegations were disclosed in a legislative or administrative report, hearing, audit, or investigation;
- The allegations were disclosed by the news media; or
- The state employee's information was derived from the investigating or auditing of state agencies or the functions of state government as part of such state employee's position or regular job duties.

The bill would also specify that any disciplinary action against the state employee be governed by the Kansas Whistleblower Act.

## **Background**

The bill was introduced by the Senate Committee on Federal and State Affairs at the request of Senator Murphy.

### ***Senate Committee on Government Efficiency***

At the Senate Committee hearing on February 12, 2026, **proponent** testimony was provided by Senator Murphy. He generally stated that the program established by the bill is common in the corporate world and would help state employees gain ownership of state programs by incentivizing them to report waste, fraud, abuse, and inefficiencies.

No other testimony was provided.

The Senate Committee amended the bill to include state employee information gained from investigating, auditing, or other functions of state government as part of the employee's

position or regular job duties to the list of sources excluded from being financially rewarded under the program.

### **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Administration cannot estimate a fiscal effect due to not knowing how many reports could be submitted or the scope of such reports.

The Office of the Attorney General indicates that enactment of the bill would have no fiscal effect on the agency.

Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Government efficiency; waste, fraud, and abuse; state employees; Secretary of Administration; monetary awards; state agencies