REVISED SESSION OF 2025

SUPPLEMENTAL NOTE ON SUBSTITUTE FOR SENATE BILL NO. 66

<u>As Recommended by Senate Committee on</u> <u>Local Government, Transparency and Ethics</u>

Brief*

Sub. for SB 66 would amend law regarding filing requirements for statements of substantial interests by local officials and require verbal public disclosure of certain substantial interests.

The bill would require elected or appointed officers of a city or county to file statements of substantial interest annually. Current law requires statements of substantial interest to be filed by candidates for local office and individuals appointed to elected office of governmental subdivisions to file initial statements of substantial interest, and thereafter only if a change occurred in the individual's substantial interest.

The bill would not amend filing requirements for elected or appointed officers of a township, school district, drainage district, or any other governmental subdivision that is not a city or county.

The bill also would require verbal disclosure of a substantial interest by any local officer who participates in the consideration of or decision on a proposed zoning change or permit that may affect the substantial interest of that officer or that officer's relative. The disclosure would be required at the first open meeting such officer attends at which such zoning change or permit is discussed, reviewed, or voted upon.

^{*}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 bill also would require the office receiving a statement of substantial interest to submit a copy of that statement to the Secretary of State. [*Note:* Under continuing law, the statement is filed in the office where declarations of candidacy for the local governmental office sought or held must be filed, the office of the city clerk or county clerk, as specified in law for the office.]

Background

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

As introduced, the bill would have added law prohibiting any local governmental officer from acting on any matter or participating in the making of any contract regarding a major development project with a project cost of at least \$250,000 if the officer, the officer's relative (defined in the bill as a parent, child, sibling, spouse, or former spouse), or a person with whom the officer has an intimate relationship would receive compensation or profit from the major development project, and providing for prosecution for violation. It would have created definitions for a substantial interest in a major development project and several other terms used in the bill.

Senate Committee on Local Government, Transparency and Ethics

In the Senate Committee hearing, Senator Thompson and two private citizens provided **proponent** testimony. The proponents described example projects, including wind and solar energy installations, for which potential conflicts of interest or potential for benefits to the local officials were not disclosed and stated the actions of those officials undermine trust in public institutions. Written-only proponent testimony was provided by two precinct committeewomen from Sedgwick County, the editor of the *Kansas Informer*, and eight private citizens.

A representative of the City of Overland Park provided neutral testimony, noting concerns with the scope of the bill.

Representatives of the Kansas Association of Counties, Kansas Advanced Power Alliance, and League of Kansas Municipalities provided **opponent** testimony. They cited concerns with the scope of the prohibitions and the definitions in the bill, specifically for "relative" and "intimate partner," and with the focus on wind and solar installations. They also cited current disclosure requirements and potential discouragement of development.

Written-only opponent testimony was provided by representatives of Polsinelli Energy Practice Group and the City of Topeka.

The Senate Committee removed the contents of the bill as introduced, amended the bill to add the contents described above, and recommended a substitute bill.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, no fiscal information had been provided by the Office of the Attorney General. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2026 Governor's Budget Report*.

No fiscal note on the substitute bill was available when the Senate Committee took action on the bill.

Disclosure; governmental ethics; statement of substantial interest; local government