

SENATE BILL No. 508

By Committee on Education

1-29

9 AN ACT concerning education; relating to the Kansas postsecondary ed-
10 ucation savings program; making and concerning appropriations for
11 the state treasurer for the fiscal years ending June 30, 2009, June 30,
12 2010, June 30, 2011, and June 30, 2012; amending K.S.A. 2007 Supp.
13 65-2422d, 75-650 and 79-3234 and repealing the existing sections.
14

15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 2007 Supp. 65-2422d is hereby amended to read as
17 follows: 65-2422d. (a) The records and files of the division of health per-
18 taining to vital statistics shall be open to inspection, subject to the pro-
19 visions of this act and rules and regulations of the secretary. It shall be
20 unlawful for any officer or employee of the state to disclose data contained
21 in vital statistical records, except as authorized by this act and the secre-
22 tary, and it shall be unlawful for anyone who possesses, stores or in any
23 way handles vital statistics records under contract with the state to disclose
24 any data contained in the records, except as authorized by law.

25 (b) No information concerning the birth of a child shall be disclosed
26 in a manner that enables determination that the child was born out of
27 wedlock, except upon order of a court in a case where the information is
28 necessary for the determination of personal or property rights and then
29 only for that purpose, or except that employees of the office of child
30 support enforcement of the federal department of health and human
31 services shall be provided information when the information is necessary
32 to ensure compliance with federal reporting and audit requirements pur-
33 suant to title IV-D of the federal social security act or except that the
34 secretary of social and rehabilitation services or the secretary's designee
35 performing child support enforcement functions pursuant to title IV-D
36 of the federal social security act shall be provided information and copies
37 of birth certificates when the information is necessary to establish par-
38 entage in legal actions or to ensure compliance with federal reporting and
39 audit requirements pursuant to title IV-D of the federal social security
40 act. Nothing in this subsection shall be construed as exempting such em-
41 ployees of the federal department of health and human services or the
42 secretary of social and rehabilitation services or the secretary's designee
43 from the fees prescribed by K.S.A. 65-2418, and amendments thereto.

- 1 (c) Except as provided in subsection (b), and amendments thereto, the
2 state registrar shall not permit inspection of the records or issue a certified
3 copy or abstract of a certificate or part thereof unless the state registrar
4 is satisfied the applicant therefor has a direct interest in the matter re-
5 corded and the information contained in the record is necessary for the
6 determination of personal or property rights. The state registrar's decision
7 shall be subject, however, to review by the secretary or by a court in
8 accordance with the act for judicial review and civil enforcement of
9 agency actions, subject to the limitations of this section.
- 10 (d) The secretary shall permit the use of data contained in vital statis-
11 tical records for research purposes only, but no identifying use of them
12 shall be made.
- 13 (e) Subject to the provisions of this section the secretary may direct
14 the state registrar to release birth, death and stillbirth certificate data to
15 federal, state or municipal agencies.
- 16 (f) On or before the 20th day of each month, the state registrar shall
17 furnish to the county election officer of each county and the clerk of the
18 district court in each county, without charge, a list of deceased residents
19 of the county who were at least 18 years of age and for whom death
20 certificates have been filed in the office of the state registrar during the
21 preceding calendar month. The list shall include the name, age or date
22 of birth, address and date of death of each of the deceased persons and
23 shall be used solely by the election officer for the purpose of correcting
24 records of their offices and by the clerk of the district court in each county
25 for the purpose of correcting juror information for such county. Infor-
26 mation provided under this subsection to the clerk of the district court
27 shall be considered confidential and shall not be disclosed to the public.
28 The provisions of subsection (b) of K.S.A. 45-229, and amendments
29 thereto, shall not apply to the provisions of this subsection.
- 30 (g) No person shall prepare or issue any certificate which purports to
31 be an original, certified copy or abstract or copy of a certificate of birth,
32 death or fetal death, except as authorized in this act or rules and regu-
33 lations adopted under this act.
- 34 (h) Records of births, deaths or marriages which are not in the custody
35 of the secretary of health and environment and which were created before
36 July 1, 1911, pursuant to chapter 129 of the 1885 Session Laws of Kansas,
37 and any copies of such records, shall be open to inspection by any person
38 and the provisions of this section shall not apply to such records.
- 39 (i) Social security numbers furnished pursuant to K.S.A. 65-2409a, and
40 amendments thereto, shall only be used as permitted by title IV-D of the
41 federal social security act and amendments thereto or as permitted by
42 section 7(a) of the federal privacy act of 1974, and amendments thereto.
43 The secretary shall make social security numbers furnished pursuant to

1 K.S.A. 65-2409a, and amendments thereto, available to the department
2 of social and rehabilitation services for purposes permitted under title IV-
3 D of the federal social security act.

4 (j) Fact of death information may be disseminated to state and federal
5 agencies administering benefit programs. Such information shall be used
6 for file clearance purposes only.

7 (k) *The registrar shall disclose fact of birth information to the state*
8 *treasurer for the purpose of administering and promoting the Kansas*
9 *postsecondary education savings program created by K.S.A. 2007 Supp.*
10 *75-640 et seq., and amendments thereto.*

11 Sec. 2. K.S.A. 2007 Supp. 75-650 is hereby amended to read as follows:
12 75-650. (a) As used in this section:

13 (1) "Federal poverty level" means the most recent poverty income
14 guidelines published in the calendar year by the United States depart-
15 ment of health and human services.

16 (2) "Program" means the low-income family postsecondary savings ac-
17 counts incentive program established by this section.

18 (3) "Qualified individual or ~~family~~ *account owner*" means an individual
19 or ~~family~~ *account owner* who resides within the state of Kansas and whose
20 household income is not more than 200% of the federal poverty level ~~at~~
21 ~~the time of application for the tax year prior to the year in which the~~
22 ~~application is submitted.~~

23 (4) "Participant" means a qualified individual or ~~family~~ *account owner*
24 who has been approved for participation in the program.

25 (5) "District" means a congressional district of the state of Kansas.

26 (6) "*Household*" means a group of individuals who are related by birth,
27 marriage or adoption and who share a residence.

28 ~~(6)~~ (7) Words and phrases have the meanings provided by K.S.A. 2007
29 Supp. 75-643, and amendments thereto, unless otherwise provided by
30 this section.

31 (b) There is hereby established the low-income family postsecondary
32 savings accounts incentive program. The purpose of the program is to
33 encourage the establishment of family postsecondary savings accounts
34 pursuant to K.S.A. 2007 Supp. 75-640, and amendments thereto, by qual-
35 ified individuals and ~~families~~ *account owners*.

36 (c) The treasurer shall:

37 (1) Implement and administer the program;

38 (2) develop marketing plans and promotional material for the program;

39 (3) prescribe the procedure for, and requirements relating to, the sub-
40 mission and approval of applications;

41 (4) do all things necessary and proper to carry out the purposes of this
42 act; and

43 (5) adopt any rules and regulations and policies deemed necessary for

1 implementation and administration of the program.

2 (d) Applications for participation in the program shall be submitted to
3 the treasurer in the manner and form required by the treasurer. Appli-
4 cations shall be accompanied by any information deemed necessary by
5 the treasurer. *Applications must be resubmitted each year for consider-*
6 *ation and shall be approved based on the applicant's household income*
7 *from the previous tax year.*

8 (e) *Participants shall be limited to one matching grant per household.*

9 ~~(f)~~ (f) During fiscal year 2007, the treasurer may approve no more than
10 400 applications. Each fiscal year thereafter, the treasurer may approve
11 up to 400 applications in addition to those approved in the previous fiscal
12 year. In each fiscal year 2008, the treasurer shall approve no more than
13 100 applications from residents of a single district. If 100 applications
14 from residents of a district are not approved in any fiscal year, the trea-
15 surer may approve additional applications submitted by residents of the
16 remaining districts. *Beginning in fiscal year 2009, the treasurer may ap-*
17 *prove no more than 300 applications from residents of a single district. If*
18 *300 applications from residents of a district are not approved in fiscal*
19 *year 2009 or any year thereafter, the treasurer may approve additional*
20 *applications submitted by residents of the remaining districts. Applica-*
21 *tions shall be approved on a first come, first served basis.* The treasurer
22 shall provide written notice, to an applicant, of the approval or nonap-
23 proval of such person's application. No application shall be approved after
24 ~~June 30, 2009~~ December 31, 2011.

25 ~~(f)~~ (g) ~~The provisions of this subsection shall be subject to the limita-~~
26 ~~tions of appropriations.~~ The amount of contributions made to an account
27 by a participant who establishes a family postsecondary savings account
28 pursuant to K.S.A. 2007 Supp. 75-640 et seq., and amendments thereto,
29 shall be matched by the state on a dollar-for-dollar basis if the participant
30 contributes at least \$100 ~~in each~~ *during the* calendar year ~~in~~ *for* which
31 ~~the account is open~~ *participant has been approved.* The aggregate of all
32 matching amounts for any participant shall not exceed \$600 in any cal-
33 endar year. ~~No moneys shall be appropriated~~ *During any fiscal year,*
34 *expenses for the purpose of marketing or administering this program in*
35 ~~an amount which exceeds \$50,000 shall not exceed \$100,000.~~ No moneys
36 shall be ~~appropriated~~ *transferred from the state general fund* for the pur-
37 pose of matching contributions after June 30, ~~2009~~ 2012.

38 ~~(g)~~ (h) *Except as provided by section 4, and amendments thereto,* be-
39 tween January 1 and January 31 of each year, the director of accounts
40 and reports shall transfer from the state general fund to the Kansas pos-
41 tsecondary education savings program trust fund the amount, as certified
42 by the treasurer, necessary to meet the matching obligations under sub-
43 section ~~(f)~~ (g) for the preceding calendar year. On or before January 31

1 of each year, the treasurer shall transfer from the Kansas postsecondary
2 education savings program trust fund to the account of each participant
3 the amount determined by the treasurer to meet the matching obligation
4 due to such participant under subsection ~~(f)~~ (g) for the preceding calendar
5 year.

6 ~~(h)~~ (i) The treasurer shall ensure that all withdrawals of matching funds
7 are used for qualified withdrawals under K.S.A. 2007 Supp. 75-640 et
8 seq., and amendments thereto.

9 ~~(i)~~ (j) On or before January ~~15, 2009~~ 31 of each year, the treasurer shall
10 prepare and submit to the governor and legislature a report on the pro-
11 gram. Such report shall include the number of accounts opened under
12 the program, the amount of moneys contributed to such accounts by
13 participants, the amount of matching moneys transferred by the treasurer
14 pursuant to subsection ~~(g)~~ (h), the average income of the participants, an
15 analysis of the success of the program in meeting the purpose of the
16 program and any other information deemed appropriate by the treasurer.

17 ~~(j)~~ (k) The provisions of this section shall be part of and supplemental
18 to the Kansas postsecondary education savings program.

19 Sec. 3. K.S.A. 2007 Supp. 79-3234 is hereby amended to read as fol-
20 lows: 79-3234. (a) All reports and returns required by this act shall be
21 preserved for three years and thereafter until the director orders them
22 to be destroyed.

23 (b) Except in accordance with proper judicial order, or as provided in
24 subsection (c) or in K.S.A. 17-7511, subsection (g) of K.S.A. 46-1106,
25 K.S.A. 46-1114, or K.S.A. 79-32,153a, and amendments thereto, it shall
26 be unlawful for the secretary, the director, any deputy, agent, clerk or
27 other officer, employee or former employee of the department of revenue
28 or any other state officer or employee or former state officer or employee
29 to divulge, or to make known in any way, the amount of income or any
30 particulars set forth or disclosed in any report, return, federal return or
31 federal return information required under this act; and it shall be unlawful
32 for the secretary, the director, any deputy, agent, clerk or other officer
33 or employee engaged in the administration of this act to engage in the
34 business or profession of tax accounting or to accept employment, with
35 or without consideration, from any person, firm or corporation for the
36 purpose, directly or indirectly, of preparing tax returns or reports required
37 by the laws of the state of Kansas, by any other state or by the United
38 States government, or to accept any employment for the purpose of ad-
39 vising, preparing material or data, or the auditing of books or records to
40 be used in an effort to defeat or cancel any tax or part thereof that has
41 been assessed by the state of Kansas, any other state or by the United
42 States government.

43 (c) The secretary or the secretary's designee may: (1) Publish statistics,

1 so classified as to prevent the identification of particular reports or returns
2 and the items thereof;

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

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

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

12 (5) disclose to the secretary of commerce specific taxpayer information
13 related to financial information previously submitted by the taxpayer to
14 the secretary of commerce concerning or relevant to any income tax cred-
15 its, for purposes of verification of such information or evaluating the ef-
16 fectiveness of any tax credit program administered by the secretary of
17 commerce;

18 (6) disclose income tax returns to the state gaming agency to be used
19 solely for the purpose of determining qualifications of licensees of and
20 applicants for licensure in tribal gaming. Any information received by the
21 state gaming agency shall be confidential and shall not be disclosed except
22 to the executive director, employees of the state gaming agency and mem-
23 bers and employees of the tribal gaming commission;

24 (7) disclose the taxpayer's name, last known address and residency
25 status to the department of wildlife and parks to be used solely in its
26 license fraud investigations;

27 (8) disclose the name, residence address, employer or Kansas adjusted
28 gross income of a taxpayer who may have a duty of support in a title IV-
29 D case to the secretary of the Kansas department of social and rehabili-
30 tation services for use solely in administrative or judicial proceedings to
31 establish, modify or enforce such support obligation in a title IV-D case.
32 In addition to any other limits on use, such use shall be allowed only
33 where subject to a protective order which prohibits disclosure outside of
34 the title IV-D proceeding. As used in this section, "title IV-D case" means
35 a case being administered pursuant to part D of title IV of the federal
36 social security act (42 U.S.C. §651 et seq.) and amendments thereto. Any
37 person receiving any information under the provisions of this subsection
38 shall be subject to the confidentiality provisions of subsection (b) and to
39 the penalty provisions of subsection (e);

40 (9) permit the commissioner of internal revenue of the United States,
41 or the proper official of any state imposing an income tax, or the author-
42 ized representative of either, to inspect the income tax returns made
43 under this act and the secretary of revenue may make available or furnish

1 to the taxing officials of any other state or the commissioner of internal
2 revenue of the United States or other taxing officials of the federal gov-
3 ernment, or their authorized representatives, information contained in
4 income tax reports or returns or any audit thereof or the report of any
5 investigation made with respect thereto, filed pursuant to the income tax
6 laws, as the secretary may consider proper, but such information shall not
7 be used for any other purpose than that of the administration of tax laws
8 of such state, the state of Kansas or of the United States;

9 (10) communicate to the executive director of the Kansas lottery in-
10 formation as to whether a person, partnership or corporation is current
11 in the filing of all applicable tax returns and in the payment of all taxes,
12 interest and penalties to the state of Kansas, excluding items under formal
13 appeal, for the purpose of determining whether such person, partnership
14 or corporation is eligible to be selected as a lottery retailer;

15 (11) communicate to the executive director of the Kansas racing com-
16 mission as to whether a person, partnership or corporation has failed to
17 meet any tax obligation to the state of Kansas for the purpose of deter-
18 mining whether such person, partnership or corporation is eligible for a
19 facility owner license or facility manager license pursuant to the Kansas
20 parimutuel racing act;

21 (12) provide such information to the executive director of the Kansas
22 public employees retirement system for the purpose of determining that
23 certain individuals' reported compensation is in compliance with the Kan-
24 sas public employees retirement act at K.S.A. 74-4901 et seq., and amend-
25 ments thereto; and

26 (13) provide taxpayer information of persons suspected of violating
27 K.S.A. 2007 Supp. 44-766, and amendments thereto, to the staff attorneys
28 of the department of labor for the purpose of determining compliance
29 by any person with the provisions of K.S.A. 2007 Supp. 44-766, and
30 amendments thereto, which information shall be limited to withholding
31 tax and payroll information, the identity of any person that has been or
32 is currently being audited or investigated in connection with the admin-
33 istration and enforcement of the withholding and declaration of estimated
34 tax act, K.S.A. 79-3294 et seq., ~~as amended and amendments thereto~~, and
35 the results or status of such audit or investigation.

36 (14) *Disclose individual income tax information to the state treasurer*
37 *for the purpose of verifying the household income for any person who has*
38 *applied for the Kansas low-income family postsecondary savings accounts*
39 *incentive program established under K.S.A. 2007 Supp. 75-650, and*
40 *amendments thereto.*

41 (d) Any person receiving information under the provisions of subsec-
42 tion (c) shall be subject to the confidentiality provisions of subsection (b)
43 and to the penalty provisions of subsection (e).

1 (e) Any violation of subsection (b) or (c) is a class A nonperson mis-
2 demeanor and, if the offender is an officer or employee of the state, such
3 officer or employee shall be dismissed from office.

4 (f) Nothing in this section shall be construed to allow disclosure of the
5 amount of income or any particulars set forth or disclosed in any report,
6 return, federal return or federal return information, where such disclo-
7 sure is prohibited by the federal internal revenue code as in effect on
8 September 1, 1996, and amendments thereto, related federal internal
9 revenue rules or regulations, or other federal law.

10 Sec. 4

11 STATE TREASURER

12 (a) There is appropriated for the above agency from the state general
13 fund for the fiscal year or years specified, the following:

14 Low-income family postsecondary savings program — state match

15 For the fiscal year ending June 30, 2009.....	\$720,000
16 For the fiscal year ending June 30, 2010.....	\$720,000
17 For the fiscal year ending June 30, 2011.....	\$720,000
18 For the fiscal year ending June 30, 2012.....	\$720,000

19 *Provided*, That on or before January 31, 2009, January 31, 2010, January
20 31, 2011, and January 31, 2012, the director of accounts and reports shall
21 transfer from the low-income family postsecondary savings program —
22 state match account of the state general fund to the Kansas postsecondary
23 education savings program trust fund the amount certified by the state
24 treasurer in accordance with the provisions of K.S.A. 2007 Supp. 75-650,
25 and amendments thereto: *Provided further*, That each such transfer shall
26 constitute the transfer from the state general fund to the Kansas postse-
27 condary education savings program trust fund prescribed by K.S.A. 2007
28 Supp. 75-650, and amendments thereto, to be made by the director of
29 accounts and reports, and no additional transfer shall be made by the
30 director of accounts and reports under K.S.A. 2007 Supp. 75-650, and
31 amendments thereto, for any such fiscal year.

32 (b) There is appropriated for the above agency from the following special
33 revenue fund or funds for the fiscal year or years specified, all moneys
34 now or hereafter lawfully credited to and available in such fund or funds,
35 except that expenditures other than refunds authorized by law shall not
36 exceed the following:

37 Kansas postsecondary education savings program trust fund

38 For the fiscal year ending June 30, 2009.....	No limit
39 For the fiscal year ending June 30, 2010.....	No limit
40 For the fiscal year ending June 30, 2011.....	No limit
41 For the fiscal year ending June 30, 2012.....	No limit

42 (c) The appropriations made by this section shall not be subject to the
43 provisions of K.S.A. 46-155, and amendments thereto.

- 1 Sec. 5. K.S.A. 2007 Supp. 65-2422d, 75-650 and 79-3234 are hereby
- 2 repealed.
- 3 Sec. 6. This act shall take effect and be in force from and after January
- 4 1, 2009, and its publication in the statute book.