

SESSION OF 2005

**SUPPLEMENTAL NOTE ON
SUBSTITUTE FOR SENATE BILL NO. 80**

As Amended by Senate Committee on
Elections and Local Government

Brief*

Substitute for SB 80 concerns open records relating to non-profit entities that receive public funds. The bill would require each non-profit entity that receives public funds, except for those listed below, to:

- ! Document the receipt and expenditure of the public funds.
 - " This requirement is deemed fulfilled if the entity is required by law, grant, contract, or other agreement to file a written financial report, which includes the same type of public funds information, with a federal or state agency or local political or taxing subdivision that provided the public money to the entity.
 - " An itemized invoice or statement of the amount of public money received and expended will satisfy this requirement when the invoice or statement is filed with the federal or state agency or local subdivision.
 - " Both of the above reports would be deemed to be a public record according to the Kansas Open Records Act (KORA).
 - " Any covered entity may file with the Secretary of State, or make available for review at its own office, a copy of the detailed audit or accounting of public money received by the entity.

- ! Make available, upon request, a copy of this documentation regarding all public funds received by the entity. If the entity does not segregate public funds in its accounting practice, it must make the accounting of its entire expenditures and receipts open to the public.

*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 <http://www.kslegislature.org>

The bill would authorize non-profit entities to charge and require advance payment of a reasonable fee for providing the documentation or access to such documentation. The fee must be determined in the same manner as provided in the KORA, and 25 cents per page would be deemed a reasonable fee for copies.

The bill specifically would exempt from its requirements any health care provider, individual person, for-profit corporation, or partnership. The term "health care provider" is defined in the bill to include, among others, a non-profit dental service corporation, a non-profit medical and hospital corporation doing business in Kansas, an indigent health care clinic, and an adult care home as otherwise defined in statute.

Finally, the bill would define "public funds" to mean any money received from the United States, the State of Kansas or any political or taxing subdivision thereof, or any officer, board, commission or agency thereof.

Background

Proponents of the original bill included representatives of the Kansas Attorney General, the Kansas Press Association, and the Kansas Association of Broadcasters. Opponents of the original bill included representatives of the American Council of Engineering Companies of Kansas, the American Institute of Architects-Kansas, the Associated General Contractors of Kansas, The Heavy Constructors Association of the Greater Kansas City Area, The Kansas Contractors Association, Cornejo & Sons, the Kansas Medical Society, the Kansas Hospital Association, the Greater Kansas City, Lenexa and Overland Park chambers of commerce, the Travel Industry Association of Kansas, and the City of Overland Park.

The original bill covered both for-profit and not-for-profit groups including health care providers.