

HOUSE BILL No. 2457

Revisor
Technical Amendment
2/12/07

By Representatives Kelley, Beamer, Bowers, Brunk, Burgess, Dahl, Donohoe, George, Goico, Gordon, Grange, Hayzlett, Huntington, Kelsey, Kiegerl, King, Kinzer, Landwehr, Mast, Masterson, Merrick, Metsker, Judy Morrison, Jim Morrison, O'Neal, Otto, Peck, Rhoades, Siegfried, Swanson, Vickrey, Watkins, K. Wolf and Yoder

2-7

13 AN ACT relating to public finance; creating the Kansas taxpayer trans-
14 parency act; defining terms; requiring the secretary of administration
15 to develop and operate a specified website; enumerating information
16 which shall be made available on such website; establishing a time
17 period covered for information on such website; requiring specified
18 agencies to provide certain information; providing for nondisclosure
19 of certain information; amending K.S.A. 2006 Supp. 75-5133 and re-
20 pealing the existing section.

21
22 *Be it enacted by the Legislature of the State of Kansas:*

23 New Section 1. This act shall be known and may be cited as the
24 Kansas taxpayer transparency act.

25 New Sec. 2. (a) As used in the Kansas taxpayer transparency act:
26 (1) "Searchable website" means a website that allows the public to
27 search and aggregate the information identified in subsection (b). Such
28 term shall include requirements that the website offer the public the
29 ability to perform keyword searching, download data, ascertain the total
30 amount of funds awarded to an entity through a single search and provide
31 feedback and recommendations regarding the utility of the website. Such
32 term shall not include any website that provides, as a search result, any
33 hyperlink to another state of Kansas government website that cannot be
34 searched electronically by field in a single search.

35 (2) "Expenditure of state funds" means the expenditure of all appro-
36 priated or nonappropriated funds by a state entity from the state treasury
37 in forms including, but not limited to:

- 38 (A) Grants;
- 39 (B) contracts;
- 40 (C) subcontracts;
- 41 (D) tax refunds, rebates or credits, excluding those which result from
42 the overpayment of income tax pursuant to K.S.A. 79-1701 and 79-1702
43 and K.S.A. 2006 Supp. 79-1705, and amendments thereto;

79-3201 et seq.

1 (E) payments made under the Kansas investments in major projects
2 and comprehensive training act, K.S.A. 74-50,102 et seq., and amend-
3 ments thereto; and

4 (F) expenditures pursuant to any compact between the Governor and
5 a federally recognized Indian tribe or nation in this state.

6 (3) “Expenditure of state funds” shall not mean the transfer of funds
7 between two state agencies or payments of state or federal assistance to
8 an individual.

9 (b) No later than January 1, 2008, the secretary of administration shall
10 develop and operate a single, searchable website accessible by the public
11 at no cost to access, that includes:

12 (1) For each expenditure, information including, but not limited to:

13 (A) The name and principal location or residence of the entity or
14 recipient, or both, of the funds;

15 (B) the amount of state funds expended;

16 (C) the type of transaction;

17 (D) the funding or expending agency;

18 (E) the budget program source;

19 (F) a descriptive purpose of the funding action or expenditure; and

20 (G) any other relevant information specified by the secretary of
21 administration;

22 (2) the complete contents of the tax expenditure ~~information or~~ re-
23 port prepared by the department of revenue;

24 (3) visual representations, in graph form organized by function of
25 government, of state general fund expenditures and all fund expenditures
26 for any fiscal year searched, which shall be accessible as hyperlinks from
27 any page providing a search result; and

28 (4) a hyperlink to a website displaying the CPI (urban), which shall
29 be displayed on any page providing a search result.

30 (c) The single website provided for in subsection (b) of this section
31 shall include data for the fiscal year 2002 and each fiscal year thereafter.
32 Such data shall be available on the single website no later than 30 days
33 after the last day of the preceding fiscal year.

34 (d) The department of revenue, state treasurer and any other state
35 agency shall provide to the secretary of administration such information
36 as is necessary to accomplish the purposes of this act.

37 (e) Nothing in this act shall permit or require the disclosure of in-
38 formation which is considered confidential by state or federal law.

39 Sec. 3. K.S.A. 2006 Supp. 75-5133 is hereby amended to read as
40 follows: 75-5133. (a) Except as otherwise more specifically provided by
41 law, all information received by the secretary of revenue, the director of
42 taxation or the director of alcoholic beverage control from returns, re-
43 ports, license applications or registration documents made or filed under

1 the provisions of any law imposing any sales, use or other excise tax ad-
2 ministered by the secretary of revenue, the director of taxation, or the
3 director of alcoholic beverage control, or from any investigation con-
4 ducted under such provisions, shall be confidential, and it shall be unlaw-
5 ful for any officer or employee of the department of revenue to divulge
6 any such information except in accordance with other provisions of law
7 respecting the enforcement and collection of such tax, in accordance with
8 proper judicial order or as provided in K.S.A. 74-2424, and amendments
9 thereto.

10 (b) The secretary of revenue or the secretary's designee may:

11 (1) Publish statistics, so classified as to prevent identification of par-
12 ticular reports or returns and the items thereof;

13 (2) allow the inspection of returns by the attorney general or the
14 attorney general's designee;

15 (3) provide the post auditor access to all such excise tax reports or
16 returns in accordance with and subject to the provisions of subsection (g)
17 of K.S.A. 46-1106, and amendments thereto;

18 (4) disclose taxpayer information from excise tax returns to persons
19 or entities contracting with the secretary of revenue where the secretary
20 has determined disclosure of such information is essential for completion
21 of the contract and has taken appropriate steps to preserve confidentiality;

22 (5) provide information from returns and reports filed under article
23 42 of chapter 79 of the Kansas Statutes Annotated, *and amendments*
24 *thereto*, to county appraisers as is necessary to insure proper valuations
25 of property. Information from such returns and reports may also be ex-
26 changed with any other state agency administering and collecting con-
27 servation or other taxes and fees imposed on or measured by mineral
28 production;

29 (6) provide, upon request by a city or county clerk or treasurer or
30 finance officer of any city or county receiving distributions from a local
31 excise tax, monthly reports identifying each retailer doing business in such
32 city or county or making taxable sales sourced to such city or county,
33 setting forth the tax liability and the amount of such tax remitted by each
34 retailer during the preceding month, and identifying each business loca-
35 tion maintained by the retailer and such retailer's sales or use tax regis-
36 tration or account number;

37 (7) provide information from returns and applications for registration
38 filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-
39 3601, and amendments thereto, to a city or county treasurer or clerk or
40 finance officer to explain the basis of statistics contained in reports pro-
41 vided by subsection (b)(6);

42 (8) disclose the following oil and gas production statistics received by
43 the department of revenue in accordance with K.S.A. 79-4216 et seq.,

1 and amendments thereto: Volumes of production by well name, well
2 number, operator's name and identification number assigned by the state
3 corporation commission, lease name, leasehold property description,
4 county of production or zone of production, name of purchaser and pur-
5 chaser's tax identification number assigned by the department of revenue,
6 name of transporter, field code number or lease code, tax period, exempt
7 production volumes by well name or lease, or any combination of this
8 information;

9 (9) release or publish liquor brand registration information provided
10 by suppliers, farm wineries and microbreweries in accordance with the
11 liquor control act. The information to be released is limited to: Item
12 number, universal numeric code, type status, product description, alcohol
13 percentage, selling units, unit size, unit of measurement, supplier num-
14 ber, supplier name, distributor number and distributor name;

15 (10) release or publish liquor license information provided by liquor
16 licensees, distributors, suppliers, farm wineries and microbreweries in
17 accordance with the liquor control act. The information to be released is
18 limited to: County name, owner, business name, address, license type,
19 license number, license expiration date and the process agent contact
20 information;

21 (11) release or publish cigarette and tobacco license information ob-
22 tained from cigarette and tobacco licensees in accordance with the Kansas
23 cigarette and tobacco products act. The information to be released is
24 limited to: County name, owner, business name, address, license type and
25 license number;

26 (12) provide environmental surcharge or solvent fee, or both, infor-
27 mation from returns and applications for registration filed pursuant to
28 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secre-
29 tary of health and environment or the secretary's designee for the sole
30 purpose of ensuring that retailers collect the environmental surcharge tax
31 or solvent fee, or both;

32 (13) provide water protection fee information from returns and ap-
33 plications for registration filed pursuant to K.S.A. 82a-954, and amend-
34 ments thereto, to the secretary of the state board of agriculture or the
35 secretary's designee and the secretary of the Kansas water office or the
36 secretary's designee for the sole purpose of verifying revenues deposited
37 to the state water plan fund;

38 (14) provide to the secretary of commerce copies of applications for
39 project exemption certificates sought by any taxpayer under the enter-
40 prise zone sales tax exemption pursuant to subsection (cc) of K.S.A. 79-
41 3606, and amendments thereto;

42 (15) disclose information received pursuant to the Kansas cigarette
43 and tobacco act and subject to the confidentiality provisions of this act to

1 any criminal justice agency, as defined in subsection (c) of K.S.A. 22-
2 4701, and amendments thereto, or to any law enforcement officer, as
3 defined in subsection (c)(10) of K.S.A. 21-3110, and amendments thereto,
4 on behalf of a criminal justice agency, when requested in writing in con-
5 junction with a pending investigation; and

6 (16) provide to retailers tax exemption information for the sole pur-
7 pose of verifying the authenticity of tax exemption numbers issued by the
8 department.

9 (c) *The secretary of revenue or the secretary's designee shall disclose*
10 *specific information as required by subsections (b) and (d) of section 1,*
11 *and amendments thereto.*

12 (d) Any person receiving any information under the provisions of sub-
13 section (b) shall be subject to the confidentiality provisions of subsection
14 (a) and to the penalty provisions of subsection ~~(d)~~ (e).

15 ~~(e)~~ (e) Any violation of this section shall be a class A, nonperson mis-
16 demeanor, and if the offender is an officer or employee of this state, such
17 officer or employee shall be dismissed from office. *In addition to any*
18 *term of imprisonment, the offender shall be fined not less than \$1,500.*
19 Reports of violations of this ~~paragraph~~ *section* shall be investigated by the
20 attorney general. The district attorney or county attorney and the attorney
21 general shall have authority to prosecute any violation of this section if
22 the offender is a city or county clerk or treasurer or finance officer of a
23 city or county.

24 Sec. 4. K.S.A. 2006 Supp. 75-5133 is hereby repealed.

25 Sec. 5. This act shall take effect and be in force from and after its
26 publication in the statute book.

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