

## HOUSE BILL No. 2525

By Committee on Financial Institutions

1-29

---

1 AN ACT concerning the Kansas money transmitter act; concerning change  
2 in controlling interest; relating to notification of state bank  
3 commissioner; certain records not required to be open; amending  
4 K.S.A. 2013 Supp. 9-508, 9-509, 9-513c, 9-513d and 45-221 and  
5 repealing the existing sections.  
6

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

8 New Section 1. (a) Each licensee under this act shall within 30 days  
9 report to the commissioner any change, for whatever reason, in the  
10 executive officers or directors, including in its report a statement of the  
11 past and current business and professional affiliations of the new executive  
12 officers or directors.

13 (b) The commissioner may require fingerprinting of any new  
14 executive officer or director, deemed necessary by the commissioner. Such  
15 fingerprints may be submitted to the Kansas bureau of investigation and  
16 the federal bureau of investigation for a state and national criminal history  
17 record check. The fingerprints shall be used to identify the person and to  
18 determine whether the person has a record of arrests and convictions in  
19 this state or other jurisdiction.

20 (c) The commissioner may use information obtained from  
21 fingerprinting and the criminal history for purposes of verifying the  
22 identification of the person and in the official determination of the  
23 qualifications and fitness of the person.

24 (d) For purposes of this section and in order to reduce the points of  
25 contact which the federal bureau of investigation may have with the  
26 individual states, the commissioner may use a nationwide multi-state  
27 licensing system and registry for requesting information from and  
28 distributing information to the department of justice or any governmental  
29 agency.

30 (e) Whenever the commissioner requires fingerprinting, any  
31 associated costs shall be paid by the applicant or the parties to the  
32 application. If the applicant is a publicly traded corporation or a  
33 subsidiary of a publicly traded corporation, no fingerprint check shall be  
34 required.

35 Sec. 2. K.S.A. 2013 Supp. 9-508 is hereby amended to read as  
36 follows: 9-508. As used in this act:

1 (a) "Agent" means either a person receiving funds from a Kansas  
2 resident and forwarding such funds to a licensee to effectuate money  
3 transmission or a person designated to otherwise engage in the business of  
4 money transmission on behalf of the licensee at one or more physical  
5 locations throughout the state or through the internet, regardless of  
6 whether such person would be exempt from the act by conducting money  
7 transmission on such person's own behalf;

8 (b) "commissioner" means the state bank commissioner;

9 (c) *"control" means the power directly or indirectly to direct*  
10 *management or policies of a person engaged in money transmission or to*  
11 *vote 25% or more of any class of voting shares of a person engaged in*  
12 *money transmission;*

13 ~~(d)~~ "electronic instrument" means a card or other tangible object  
14 for the transmission or payment of money, including a prepaid access card  
15 or device which contains a microprocessor chip, magnetic stripe or other  
16 means for the storage of information, that is prefunded and for which the  
17 value is decremented upon each use, but does not include a card or other  
18 tangible object that is redeemable by the issuer in goods or services;

19 ~~(d)~~(e) "licensee" means a person licensed under this act;

20 ~~(e)~~(f) "nationwide multi-state licensing system and registry" means a  
21 licensing system developed and maintained by the conference of state  
22 bank supervisors, or its successors and assigns, for the licensing and  
23 reporting of those persons engaging in the money transmission;

24 ~~(f)~~(g) "monetary value" means a medium of exchange, whether or not  
25 redeemable in money;

26 ~~(g)~~(h) "money transmission" means to engage in the business of the  
27 sale or issuance of payment instruments or of receiving money or  
28 monetary value for transmission to a location within or outside the United  
29 States by wire, facsimile, electronic means or any other means, except that  
30 money transmission does not include currency exchange where no  
31 transmission of money occurs;

32 ~~(h)~~(i) "outstanding payment instrument" means any payment  
33 instrument issued by the licensee which has been sold in the United States  
34 directly by the licensee or any money order or instrument issued by the  
35 licensee which has been sold by an agent of the licensee in the United  
36 States, which has been reported to the licensee as having been sold and  
37 which has not yet been paid by or for the licensee;

38 ~~(i)~~(j) "payment instrument" means any electronic or written check,  
39 draft, money order, travelers check or other electronic or written  
40 instrument or order for the transmission or payment of money, sold or  
41 issued to one or more persons, whether or not such instrument is  
42 negotiable. The term "payment instrument" does not include any credit  
43 card voucher, any letter of credit or any instrument which is redeemable by

1 the issuer in goods or services;

2 ~~(j)~~(k) "permissible investments" means:

3 (1) Cash;

4 (2) deposits in a demand or interest bearing account with a domestic  
5 federally insured depository institution, including certificates of deposit;

6 (3) debt obligations of a domestic federally insured depository  
7 institution;

8 (4) any investment bearing a rating of one of the three highest grades  
9 as defined by a nationally recognized organization that rates such  
10 securities;

11 (5) investment grade bonds and other legally created general  
12 obligations of a state, an agency or political subdivision of a state, the  
13 United States or an instrumentality of the United States;

14 (6) obligations that a state, an agency or political subdivision of a  
15 state, the United States or an instrumentality of the United States has  
16 unconditionally agreed to purchase, insure or guarantee and that bear a  
17 rating of one of the three highest grades as defined by a nationally  
18 recognized organization that rates securities;

19 (7) shares in a money market mutual fund, interest-bearing bills or  
20 notes or bonds, debentures or stock traded on any national securities  
21 exchange or on a national over-the-counter market, or mutual funds  
22 primarily composed of such securities or a fund composed of one or more  
23 permissible investments as set forth herein;

24 (8) receivables ~~which~~ *that are due payable to a licensee related to*  
25 ~~money transmission, in the ordinary course of business, pursuant to~~  
26 ~~contracts which are not past due or doubtful of collection and which do~~  
27 ~~not exceed in the aggregate 20% 40% of the total required permissible~~  
28 ~~investments pursuant to K.S.A. 9-513b, and amendments thereto. A~~  
29 ~~receivable is past due if not remitted to the licensee within 10 business~~  
30 ~~days; or~~

31 (9) any other investment or security device approved by the  
32 commissioner;

33 ~~(k)~~(l) "person" means any individual, partnership, association, joint-  
34 stock association, trust, corporation or any other form of business  
35 enterprise;

36 ~~(l)~~(m) "resident" means any natural person or business entity located  
37 in this state; and

38 ~~(m)~~(n) "tangible net worth" means the physical worth of a licensee,  
39 calculated by taking a licensee's assets and subtracting its liabilities and its  
40 intangible assets, such as copyrights, patents, intellectual property and  
41 goodwill.

42 Sec. 3. K.S.A. 2013 Supp. 9-509 is hereby amended to read as  
43 follows: 9-509. (a) No person shall engage in the business of selling,

1 issuing or delivering its payment instrument, check, draft, money order,  
2 personal money order, bill of exchange, evidence of indebtedness or other  
3 instrument for the transmission or payment of money or otherwise engage  
4 in the business of money transmission with a resident of this state, or,  
5 except as provided in K.S.A. 9-510, and amendments thereto, act as agent  
6 for another in the transmission of money as a service or for a fee or other  
7 consideration, unless such person *files an application and* obtains a license  
8 from the commissioner.

9 ~~(b) (1) An application for a license shall be submitted in the form and~~  
10 ~~manner prescribed by the commissioner. The application shall be~~  
11 ~~accompanied by nonrefundable fees established by the commissioner for~~  
12 ~~the license and each agent location. At least 30 days prior to expiration of~~  
13 ~~the license as reflected on the face of the license certificate, a license shall~~  
14 ~~be renewed by filing with the commissioner a complete application and~~  
15 ~~nonrefundable application fees. Each license shall expire December 31 of~~  
16 ~~each year. A license shall be renewed by filing with the commissioner a~~  
17 ~~complete application and nonrefundable application fee at least 30 days~~  
18 ~~prior to expiration of the license. Expired licenses may be reinstated~~  
19 ~~through February 28 of each year by filing a reinstatement application and~~  
20 ~~paying the appropriate application and late fees. The application shall be~~  
21 ~~accompanied by nonrefundable fees established by the commissioner for~~  
22 ~~the license and each agent location.~~

23 *(c) It shall be unlawful for a person, acting directly or indirectly or*  
24 *through concert with one or more persons, to acquire control of any*  
25 *person engaged in money transmission through purchase, assignment,*  
26 *pledge or other disposition of voting shares of such money transmitter,*  
27 *except with the prior approval of the commissioner. Request for approval*  
28 *of the proposed acquisition shall be made by filing an application with the*  
29 *commissioner at least 60 days prior to the acquisition.*

30 *(d) All applications shall be submitted in the form and manner*  
31 *prescribed by the commissioner. Additionally, the following shall apply to*  
32 *all applications:*

33 ~~(2)(1)~~ The commissioner may use a nationwide multi-state licensing  
34 system and registry for processing applications, renewals, amendments,  
35 surrenders, and any other activity the commissioner deems appropriate.  
36 The commissioner may also use a nationwide multi-state licensing system  
37 and registry for requesting and distributing any information regarding  
38 money transmitter licensing to and from any source so directed by the  
39 commissioner. The commissioner may establish relationships or contracts  
40 with the nationwide multi-state licensing system and registry or other  
41 entities to collect and maintain records and process transaction fees or  
42 other fees related to applicants, licensees, as may be reasonably necessary  
43 to participate in the nationwide multi-state licensing system and registry.

1 The commissioner may report violations of the law, as well as enforcement  
2 actions and other relevant information to the nationwide multi-state  
3 licensing system and registry. The commissioner may require any  
4 applicant or licensee to file reports with the nationwide multi-state  
5 licensing system and registry in the form prescribed by the commissioner.

6 (3)(2) An application shall be accompanied by nonrefundable fees  
7 established by the commissioner for the license and each agent location.  
8 The commissioner shall determine the amount of such fees to provide  
9 sufficient funds to meet the budget requirements of administering and  
10 enforcing the act for each fiscal year. For the purposes of this subsection,  
11 "each agent location" means each physical location within the state where  
12 money transmission is conducted, including, but not limited to, branch  
13 offices, authorized vendor offices, delegate offices, kiosks and drop boxes.  
14 Any person using the multi-state licensing system shall pay all associated  
15 costs.

16 (4)(3) (A) The commissioner may require fingerprinting of any  
17 individual, officer, director, partner, member, shareholder or any other  
18 person related to the application deemed necessary by the commissioner. *If*  
19 *the applicant is a publicly traded corporation or a subsidiary of a publicly*  
20 *traded corporation, no fingerprint check shall be required.* ~~Such~~  
21 Fingerprints may be submitted to the Kansas bureau of investigation and  
22 the federal bureau of investigation for a state and national criminal history  
23 record check. The fingerprints shall be used to identify the person and to  
24 determine whether the person has a record of arrests and convictions in  
25 this state or other jurisdiction.

26 (B) The commissioner may use information obtained from  
27 fingerprinting and the criminal history for purposes of verifying the  
28 identification of the person and in the official determination of the  
29 qualifications and fitness of the person ~~to be issued or to maintain a~~  
30 ~~license,~~ or in the case of an applicant company, the persons associated with  
31 the company.

32 (C) For purposes of this section and in order to reduce the points of  
33 contact which the federal bureau of investigation may have with the  
34 individual states, the commissioner may use a nationwide multi-state  
35 licensing system and registry for requesting information from and  
36 distributing information to the department of justice or any governmental  
37 agency.

38 (D) Whenever the commissioner requires fingerprinting, any  
39 associated costs shall be paid by the applicant or the parties to the  
40 application. ~~If the applicant is a publicly traded corporation or a subsidiary~~  
41 ~~of a publicly traded corporation, no fingerprint check shall be required.~~

42 (5)(4) *Each application shall include audited financial statements for*  
43 *each of the two fiscal years immediately preceding the date of the*

1 application and an interim financial statement, as of a date not more than  
2 90 days prior to the date of the filing of an application. Any person not in  
3 business two years prior to the filing of the application shall submit a  
4 statement in the form and manner prescribed by the commissioner  
5 sufficient to demonstrate compliance with subsection (e).

6 (e) In addition, each person submitting an application shall meet the  
7 following requirements:

8 ~~(A)~~(1) The tangible net worth of such person shall be at all times not  
9 less than \$250,000, as shown by an audited financial statement and  
10 certified to by an owner, a partner or officer of the corporation or other  
11 entity filed in the form and manner prescribed by the commissioner. A  
12 consolidated financial statement from an applicant's holding company may  
13 be accepted by the commissioner. The commissioner may require any  
14 person to file a statement at any other time upon request;

15 ~~(B)~~(2) such person shall deposit and at all times keep on deposit with  
16 the state treasurer, or a bank in this state approved by the commissioner,  
17 cash or securities satisfactory to the commissioner in an amount not less  
18 than \$200,000. The commissioner may increase the amount of cash or  
19 securities required up to a maximum of \$500,000 upon the basis of the  
20 impaired financial condition of a person, as evidenced by a reduction in  
21 net worth, financial losses or other relevant criteria as determined by the  
22 commissioner;

23 ~~(C)~~(3) in lieu of the deposit of cash or securities required by  
24 paragraph (B), such person may give a surety bond in an amount equal to  
25 that required for the deposit of cash or securities, in a form satisfactory to  
26 the commissioner and issued by a company authorized to do business in  
27 this state, which bond shall be payable to the office of the state bank  
28 commissioner and be filed with the commissioner; and

29 ~~(D)~~(4) such person shall submit a list to the commissioner of the  
30 names and addresses of other persons who are authorized to act as agents  
31 for transactions with Kansas residents.

32 ~~(e)~~(f) The deposit of cash, securities or surety bond required by this  
33 section shall be subject to:

34 (1) Payment to the commissioner for the protection and benefit of  
35 purchasers of money transmission services, purchasers or holders of  
36 payment instruments furnished by such person, and those for whom such  
37 person has agreed to act as agent in transmission of monetary value and to  
38 secure the faithful performance of the obligations of such person in respect  
39 to the receipt, handling, transmission and payment of monetary value; and

40 (2) payment to the commissioner for satisfaction of any expenses,  
41 fines, fees or refunds due pursuant to this act, levied by the commissioner  
42 or that become lawfully due pursuant to a final judgment or order.

43 ~~(d)~~(g) The aggregate liability of the surety for all breaches of the

1 conditions of the bond, in no event, shall exceed the amount of such bond.  
2 The surety on the bond shall have the right to cancel such bond upon  
3 giving 30 days' notice to the commissioner and thereafter shall be relieved  
4 of liability for any breach of condition occurring after the effective date of  
5 the cancellation. The commissioner or any aggrieved party may enforce  
6 claims against such deposit of cash or securities or surety bond. So long as  
7 the depositing person is not in violation of this act, such person shall be  
8 permitted to receive all interest and dividends on the deposit and shall  
9 have the right to substitute other securities satisfactory to the  
10 commissioner. If the deposit is made with a bank, any custodial fees shall  
11 be paid by such person.

12 ~~(e)~~(h) (1) The commissioner shall have the authority to examine the  
13 books and records of any person operating in accordance with the  
14 provisions of this act, at such person's expense, to verify compliance with  
15 state and federal law.

16 (2) For purposes of investigation, examination or other proceeding  
17 under this act, the commissioner may administer or cause to be  
18 administered oaths, subpoena witnesses and documents, compel the  
19 attendance of witnesses, take evidence and require the production of any  
20 document that the commissioner determines to be relevant to the inquiry.

21 (i) *Except as authorized with regard to the appointment of agents, a*  
22 *licensee is prohibited from transferring, assigning, allowing another*  
23 *person to use the licensee's license, or aiding any person who does not*  
24 *hold a valid license under this act in engaging in the business of money*  
25 *transmission.*

26 Sec. 4. K.S.A. 2013 Supp. 9-513c is hereby amended to read as  
27 follows: 9-513c. (a) Notwithstanding any other provision of law, all  
28 information or reports obtained and prepared by the commissioner in the  
29 course of licensing or examining a person engaged in money transmission  
30 business shall be confidential and may not be disclosed by the  
31 commissioner except as provided in subsection ~~(b)~~ or (c) or (d).

32 (b) *All confidential information shall be the property of the state of*  
33 *Kansas and shall not be subject to disclosure except upon the written*  
34 *approval of the state bank commissioner.*

35 ~~(b)~~(c) (1) The commissioner shall have the authority to share  
36 supervisory information, including reports of examinations, with other  
37 state or federal agencies having regulatory authority over the person's  
38 money transmission business and shall have the authority to conduct joint  
39 examinations with other regulatory agencies.

40 (2) (A) The requirements under any federal or state law regarding the  
41 confidentiality of any information or material provided to the nationwide  
42 multi-state licensing system, and any privilege arising under federal or  
43 state law, including the rules of any federal or state court, with respect to

1 such information or material, shall continue to apply to such information  
2 or material after the information or material has been disclosed to the  
3 system. Such information and material may be shared with all state and  
4 federal regulatory officials with financial services industry oversight  
5 authority without the loss of confidentiality protections provided by  
6 federal and state laws.

7 (B) The provisions of this paragraph shall expire July 1, 2018, unless  
8 the legislature acts to reenact such provisions. The provisions of this  
9 section shall be reviewed by the legislature prior to July 1, 2018.

10 ~~(e)~~(d) The commissioner may provide for the release of information  
11 to law enforcement agencies or prosecutorial agencies or offices who shall  
12 maintain the confidentiality of the information.

13 ~~(d)~~(e) The commissioner may accept a report of examination or  
14 investigation from another state or federal licensing agency, in which the  
15 accepted report is an official report of the commissioner. Acceptance of an  
16 examination or investigation report does not waive any fee required by this  
17 act.

18 ~~(e)~~(f) Nothing shall prohibit the commissioner from releasing to the  
19 public a list of persons licensed or their agents or from releasing  
20 aggregated financial data on such persons.

21 ~~(f)~~(g) The provisions of subsection (a) shall expire on July 1, 2016,  
22 unless the legislature acts to reauthorize such provisions. The provisions of  
23 subsection (a) shall be reviewed by the legislature prior to July 1, 2016.

24 Sec. 5. K.S.A. 2013 Supp. 9-513d is hereby amended to read as  
25 follows: 9-513d. (a) The provisions of K.S.A. 9-508 through 9-513, and  
26 amendments thereto, ~~and~~ K.S.A. 2013 Supp. 9-513a through 9-513d, and  
27 amendments thereto, *and section 1, and amendments thereto*, shall be  
28 known as and may be cited as the Kansas money transmitter act.

29 (b) The commissioner is hereby authorized to adopt rules and  
30 regulations necessary to administer and implement the Kansas money  
31 transmitter act.

32 Sec. 6. Sec. 7. K.S.A. 2013 Supp. 45-221 is hereby amended to read  
33 as follows: 45-221. (a) Except to the extent disclosure is otherwise  
34 required by law, a public agency shall not be required to disclose:

35 (1) Records the disclosure of which is specifically prohibited or  
36 restricted by federal law, state statute or rule of the Kansas supreme court  
37 or rule of the senate committee on confirmation oversight relating to  
38 information submitted to the committee pursuant to K.S.A. 2013 Supp. 75-  
39 4315d, and amendments thereto, or the disclosure of which is prohibited or  
40 restricted pursuant to specific authorization of federal law, state statute or  
41 rule of the Kansas supreme court or rule of the senate committee on  
42 confirmation oversight relating to information submitted to the committee  
43 pursuant to K.S.A. 2013 Supp. 75-4315d, and amendments thereto, to



1 restrict or prohibit disclosure.

2 (2) Records which are privileged under the rules of evidence, unless  
3 the holder of the privilege consents to the disclosure.

4 (3) Medical, psychiatric, psychological or alcoholism or drug  
5 dependency treatment records which pertain to identifiable patients.

6 (4) Personnel records, performance ratings or individually identifiable  
7 records pertaining to employees or applicants for employment, except that  
8 this exemption shall not apply to the names, positions, salaries or actual  
9 compensation employment contracts or employment-related contracts or  
10 agreements and lengths of service of officers and employees of public  
11 agencies once they are employed as such.

12 (5) Information which would reveal the identity of any undercover  
13 agent or any informant reporting a specific violation of law.

14 (6) Letters of reference or recommendation pertaining to the character  
15 or qualifications of an identifiable individual, except documents relating to  
16 the appointment of persons to fill a vacancy in an elected office.

17 (7) Library, archive and museum materials contributed by private  
18 persons, to the extent of any limitations imposed as conditions of the  
19 contribution.

20 (8) Information which would reveal the identity of an individual who  
21 lawfully makes a donation to a public agency, if anonymity of the donor is  
22 a condition of the donation, except if the donation is intended for or  
23 restricted to providing remuneration or personal tangible benefit to a  
24 named public officer or employee.

25 (9) Testing and examination materials, before the test or examination  
26 is given or if it is to be given again, or records of individual test or  
27 examination scores, other than records which show only passage or failure  
28 and not specific scores.

29 (10) Criminal investigation records, except as provided herein. The  
30 district court, in an action brought pursuant to K.S.A. 45-222, and  
31 amendments thereto, may order disclosure of such records, subject to such  
32 conditions as the court may impose, if the court finds that disclosure:

33 (A) Is in the public interest;

34 (B) would not interfere with any prospective law enforcement action,  
35 criminal investigation or prosecution;

36 (C) would not reveal the identity of any confidential source or  
37 undercover agent;

38 (D) would not reveal confidential investigative techniques or  
39 procedures not known to the general public;

40 (E) would not endanger the life or physical safety of any person; and

41 (F) would not reveal the name, address, phone number or any other  
42 information which specifically and individually identifies the victim of any  
43 sexual offense in article 35 of chapter 21 of the Kansas Statutes Annotated,

1 prior to their repeal, or article 55 of chapter 21 of the Kansas Statutes  
2 Annotated, and amendments thereto.

3 If a public record is discretionarily closed by a public agency pursuant  
4 to this subsection, the record custodian, upon request, shall provide a  
5 written citation to the specific provisions of paragraphs (A) through (F)  
6 that necessitate closure of that public record.

7 (11) Records of agencies involved in administrative adjudication or  
8 civil litigation, compiled in the process of detecting or investigating  
9 violations of civil law or administrative rules and regulations, if disclosure  
10 would interfere with a prospective administrative adjudication or civil  
11 litigation or reveal the identity of a confidential source or undercover  
12 agent.

13 (12) Records of emergency or security information or procedures of a  
14 public agency, or plans, drawings, specifications or related information for  
15 any building or facility which is used for purposes requiring security  
16 measures in or around the building or facility or which is used for the  
17 generation or transmission of power, water, fuels or communications, if  
18 disclosure would jeopardize security of the public agency, building or  
19 facility.

20 (13) The contents of appraisals or engineering or feasibility estimates  
21 or evaluations made by or for a public agency relative to the acquisition of  
22 property, prior to the award of formal contracts therefor.

23 (14) Correspondence between a public agency and a private  
24 individual, other than correspondence which is intended to give notice of  
25 an action, policy or determination relating to any regulatory, supervisory or  
26 enforcement responsibility of the public agency or which is widely  
27 distributed to the public by a public agency and is not specifically in  
28 response to communications from such a private individual.

29 (15) Records pertaining to employer-employee negotiations, if  
30 disclosure would reveal information discussed in a lawful executive  
31 session under K.S.A. 75-4319, and amendments thereto.

32 (16) Software programs for electronic data processing and  
33 documentation thereof, but each public agency shall maintain a register,  
34 open to the public, that describes:

35 (A) The information which the agency maintains on computer  
36 facilities; and

37 (B) the form in which the information can be made available using  
38 existing computer programs.

39 (17) Applications, financial statements and other information  
40 submitted in connection with applications for student financial assistance  
41 where financial need is a consideration for the award.

42 (18) Plans, designs, drawings or specifications which are prepared by  
43 a person other than an employee of a public agency or records which are

1 the property of a private person.

2 (19) Well samples, logs or surveys which the state corporation  
3 commission requires to be filed by persons who have drilled or caused to  
4 be drilled, or are drilling or causing to be drilled, holes for the purpose of  
5 discovery or production of oil or gas, to the extent that disclosure is  
6 limited by rules and regulations of the state corporation commission.

7 (20) Notes, preliminary drafts, research data in the process of  
8 analysis, unfunded grant proposals, memoranda, recommendations or  
9 other records in which opinions are expressed or policies or actions are  
10 proposed, except that this exemption shall not apply when such records are  
11 publicly cited or identified in an open meeting or in an agenda of an open  
12 meeting.

13 (21) Records of a public agency having legislative powers, which  
14 records pertain to proposed legislation or amendments to proposed  
15 legislation, except that this exemption shall not apply when such records  
16 are:

17 (A) Publicly cited or identified in an open meeting or in an agenda of  
18 an open meeting; or

19 (B) distributed to a majority of a quorum of any body which has  
20 authority to take action or make recommendations to the public agency  
21 with regard to the matters to which such records pertain.

22 (22) Records of a public agency having legislative powers, which  
23 records pertain to research prepared for one or more members of such  
24 agency, except that this exemption shall not apply when such records are:

25 (A) Publicly cited or identified in an open meeting or in an agenda of  
26 an open meeting; or

27 (B) distributed to a majority of a quorum of any body which has  
28 authority to take action or make recommendations to the public agency  
29 with regard to the matters to which such records pertain.

30 (23) Library patron and circulation records which pertain to  
31 identifiable individuals.

32 (24) Records which are compiled for census or research purposes and  
33 which pertain to identifiable individuals.

34 (25) Records which represent and constitute the work product of an  
35 attorney.

36 (26) Records of a utility or other public service pertaining to  
37 individually identifiable residential customers of the utility or service.

38 (27) Specifications for competitive bidding, until the specifications  
39 are officially approved by the public agency.

40 (28) Sealed bids and related documents, until a bid is accepted or all  
41 bids rejected.

42 (29) Correctional records pertaining to an identifiable inmate or  
43 release, except that:

1 (A) The name; photograph and other identifying information;  
2 sentence data; parole eligibility date; custody or supervision level;  
3 disciplinary record; supervision violations; conditions of supervision,  
4 excluding requirements pertaining to mental health or substance abuse  
5 counseling; location of facility where incarcerated or location of parole  
6 office maintaining supervision and address of a releasee whose crime was  
7 committed after the effective date of this act shall be subject to disclosure  
8 to any person other than another inmate or releasee, except that the  
9 disclosure of the location of an inmate transferred to another state pursuant  
10 to the interstate corrections compact shall be at the discretion of the  
11 secretary of corrections;

12 (B) the attorney general, law enforcement agencies, counsel for the  
13 inmate to whom the record pertains and any county or district attorney  
14 shall have access to correctional records to the extent otherwise permitted  
15 by law;

16 (C) the information provided to the law enforcement agency pursuant  
17 to the sex offender registration act, K.S.A. 22-4901 et seq., and  
18 amendments thereto, shall be subject to disclosure to any person, except  
19 that the name, address, telephone number or any other information which  
20 specifically and individually identifies the victim of any offender required  
21 to register as provided by the Kansas offender registration act, K.S.A. 22-  
22 4901 et seq., and amendments thereto, shall not be disclosed; and

23 (D) records of the department of corrections regarding the financial  
24 assets of an offender in the custody of the secretary of corrections shall be  
25 subject to disclosure to the victim, or such victim's family, of the crime for  
26 which the inmate is in custody as set forth in an order of restitution by the  
27 sentencing court.

28 (30) Public records containing information of a personal nature where  
29 the public disclosure thereof would constitute a clearly unwarranted  
30 invasion of personal privacy.

31 (31) Public records pertaining to prospective location of a business or  
32 industry where no previous public disclosure has been made of the  
33 business' or industry's interest in locating in, relocating within or  
34 expanding within the state. This exception shall not include those records  
35 pertaining to application of agencies for permits or licenses necessary to  
36 do business or to expand business operations within this state, except as  
37 otherwise provided by law.

38 (32) Engineering and architectural estimates made by or for any  
39 public agency relative to public improvements.

40 (33) Financial information submitted by contractors in qualification  
41 statements to any public agency.

42 (34) Records involved in the obtaining and processing of intellectual  
43 property rights that are expected to be, wholly or partially vested in or

1 owned by a state educational institution, as defined in K.S.A. 76-711, and  
2 amendments thereto, or an assignee of the institution organized and  
3 existing for the benefit of the institution.

4 (35) Any report or record which is made pursuant to K.S.A. 65-4922,  
5 65-4923 or 65-4924, and amendments thereto, and which is privileged  
6 pursuant to K.S.A. 65-4915 or 65-4925, and amendments thereto.

7 (36) Information which would reveal the precise location of an  
8 archeological site.

9 (37) Any financial data or traffic information from a railroad  
10 company, to a public agency, concerning the sale, lease or rehabilitation of  
11 the railroad's property in Kansas.

12 (38) Risk-based capital reports, risk-based capital plans and  
13 corrective orders including the working papers and the results of any  
14 analysis filed with the commissioner of insurance in accordance with  
15 K.S.A. 40-2c20 and 40-2d20, and amendments thereto.

16 (39) Memoranda and related materials required to be used to support  
17 the annual actuarial opinions submitted pursuant to subsection (b) of  
18 K.S.A. 40-409, and amendments thereto.

19 (40) Disclosure reports filed with the commissioner of insurance  
20 under subsection (a) of K.S.A. 40-2,156, and amendments thereto.

21 (41) All financial analysis ratios and examination synopses  
22 concerning insurance companies that are submitted to the commissioner by  
23 the national association of insurance commissioners' insurance regulatory  
24 information system.

25 (42) Any records the disclosure of which is restricted or prohibited by  
26 a tribal-state gaming compact.

27 (43) Market research, market plans, business plans and the terms and  
28 conditions of managed care or other third-party contracts, developed or  
29 entered into by the university of Kansas medical center in the operation  
30 and management of the university hospital which the chancellor of the  
31 university of Kansas or the chancellor's designee determines would give an  
32 unfair advantage to competitors of the university of Kansas medical center.

33 (44) The amount of franchise tax paid to the secretary of revenue or  
34 the secretary of state by domestic corporations, foreign corporations,  
35 domestic limited liability companies, foreign limited liability companies,  
36 domestic limited partnership, foreign limited partnership, domestic limited  
37 liability partnerships and foreign limited liability partnerships.

38 (45) Records, other than criminal investigation records, the disclosure  
39 of which would pose a substantial likelihood of revealing security  
40 measures that protect: (A) Systems, facilities or equipment used in the  
41 production, transmission or distribution of energy, water or  
42 communications services; (B) transportation and sewer or wastewater  
43 treatment systems, facilities or equipment; or (C) private property or

1 persons, if the records are submitted to the agency. For purposes of this  
2 paragraph, security means measures that protect against criminal acts  
3 intended to intimidate or coerce the civilian population, influence  
4 government policy by intimidation or coercion or to affect the operation of  
5 government by disruption of public services, mass destruction,  
6 assassination or kidnapping. Security measures include, but are not limited to,  
7 intelligence information, tactical plans, resource deployment and  
8 vulnerability assessments.

9 (46) Any information or material received by the register of deeds of  
10 a county from military discharge papers, DD Form 214. Such papers shall  
11 be disclosed: To the military dischargee; to such dischargee's immediate  
12 family members and lineal descendants; to such dischargee's heirs, agents  
13 or assigns; to the licensed funeral director who has custody of the body of  
14 the deceased dischargee; when required by a department or agency of the  
15 federal or state government or a political subdivision thereof; when the  
16 form is required to perfect the claim of military service or honorable  
17 discharge or a claim of a dependent of the dischargee; and upon the written  
18 approval of the commissioner of veterans affairs, to a person conducting  
19 research.

20 (47) Information that would reveal the location of a shelter or a  
21 safehouse or similar place where persons are provided protection from  
22 abuse or the name, address, location or other contact information of  
23 alleged victims of stalking, domestic violence or sexual assault.

24 (48) Policy information provided by an insurance carrier in  
25 accordance with subsection (h)(1) of K.S.A. 44-532, and amendments  
26 thereto. This exemption shall not be construed to preclude access to an  
27 individual employer's record for the purpose of verification of insurance  
28 coverage or to the department of labor for their business purposes.

29 (49) An individual's e-mail address, cell phone number and other  
30 contact information which has been given to the public agency for the  
31 purpose of public agency notifications or communications which are  
32 widely distributed to the public.

33 (50) Information provided by providers to the local collection point  
34 administrator or to the 911 coordinating council pursuant to the Kansas  
35 911 act, and amendments thereto, upon request of the party submitting  
36 such records.

37 (51) Records of a public agency on a public website which are  
38 searchable by a keyword search and identify the home address or home  
39 ownership of a law enforcement officer as defined in K.S.A. 2013 Supp.  
40 21-5111, and amendments thereto, parole officer, probation officer, court  
41 services officer or community correctional services officer. Such  
42 individual officer shall file with the custodian of such record a request to  
43 have such officer's identifying information restricted from public access on

1 such public website. Within 10 business days of receipt of such requests,  
2 the public agency shall restrict such officer's identifying information from  
3 such public access. Such restriction shall expire after five years and such  
4 officer may file with the custodian of such record a new request for  
5 restriction at any time.

6 (52) Records of a public agency on a public website which are  
7 searchable by a keyword search and identify the home address or home  
8 ownership of a federal judge, a justice of the supreme court, a judge of the  
9 court of appeals, a district judge, a district magistrate judge, the United  
10 States attorney for the district of Kansas, an assistant United States  
11 attorney, the attorney general, an assistant attorney general, a district  
12 attorney or county attorney or an assistant district attorney or assistant  
13 county attorney. Such person shall file with the custodian of such record a  
14 request to have such person's identifying information restricted from  
15 public access on such public website. Within 10 business days of receipt of  
16 such requests, the public agency shall restrict such person's identifying  
17 information from such public access. Such restriction shall expire after  
18 five years and such person may file with the custodian of such record a  
19 new request for restriction at any time.

20 (53) Records of a public agency that would disclose the name, home  
21 address, zip code, e-mail address, phone number or cell phone number or  
22 other contact information for any person licensed to carry concealed  
23 handguns or of any person who enrolled in or completed any weapons  
24 training in order to be licensed or has made application for such license  
25 under the personal and family protection act, K.S.A. 2013 Supp. 75-7c01  
26 et seq., and amendments thereto, shall not be disclosed unless otherwise  
27 required by law.

28 (54) Records of a utility concerning information about cyber security  
29 threats, attacks or general attempts to attack utility operations provided to  
30 law enforcement agencies, the state corporation commission, the federal  
31 energy regulatory commission, the department of energy, the southwest  
32 power pool, the North American electric reliability corporation, the federal  
33 communications commission or any other federal, state or regional  
34 organization that has a responsibility for the safeguarding of  
35 telecommunications, electric, potable water, waste water disposal or  
36 treatment, motor fuel or natural gas energy supply systems.

37 *(55) Records of a public agency containing information or reports*  
38 *obtained and prepared by the office of the state bank commissioner in the*  
39 *course of licensing or examining a person engaged in money transmission*  
40 *business pursuant to 9-508 et seq., and amendments thereto, shall not be*  
41 *disclosed except pursuant to K.S.A. 9-513c, and amendments thereto, or*  
42 *unless otherwise required by law.*

43 (b) Except to the extent disclosure is otherwise required by law or as

1 appropriate during the course of an administrative proceeding or on appeal  
2 from agency action, a public agency or officer shall not disclose financial  
3 information of a taxpayer which may be required or requested by a county  
4 appraiser or the director of property valuation to assist in the determination  
5 of the value of the taxpayer's property for ad valorem taxation purposes; or  
6 any financial information of a personal nature required or requested by a  
7 public agency or officer, including a name, job description or title  
8 revealing the salary or other compensation of officers, employees or  
9 applicants for employment with a firm, corporation or agency, except a  
10 public agency. Nothing contained herein shall be construed to prohibit the  
11 publication of statistics, so classified as to prevent identification of  
12 particular reports or returns and the items thereof.

13 (c) As used in this section, the term "cited or identified" shall not  
14 include a request to an employee of a public agency that a document be  
15 prepared.

16 (d) If a public record contains material which is not subject to  
17 disclosure pursuant to this act, the public agency shall separate or delete  
18 such material and make available to the requester that material in the  
19 public record which is subject to disclosure pursuant to this act. If a public  
20 record is not subject to disclosure because it pertains to an identifiable  
21 individual, the public agency shall delete the identifying portions of the  
22 record and make available to the requester any remaining portions which  
23 are subject to disclosure pursuant to this act, unless the request is for a  
24 record pertaining to a specific individual or to such a limited group of  
25 individuals that the individuals' identities are reasonably ascertainable, the  
26 public agency shall not be required to disclose those portions of the record  
27 which pertain to such individual or individuals.

28 (e) The provisions of this section shall not be construed to exempt  
29 from public disclosure statistical information not descriptive of any  
30 identifiable person.

31 (f) Notwithstanding the provisions of subsection (a), any public  
32 record which has been in existence more than 70 years shall be open for  
33 inspection by any person unless disclosure of the record is specifically  
34 prohibited or restricted by federal law, state statute or rule of the Kansas  
35 supreme court or by a policy adopted pursuant to K.S.A. 72-6214, and  
36 amendments thereto.

37 (g) Any confidential records or information relating to security  
38 measures provided or received under the provisions of subsection (a)(45)  
39 shall not be subject to subpoena, discovery or other demand in any  
40 administrative, criminal or civil action.

41 Sec. 8. K.S.A. 2013 Supp. 9-508, 9-509, 9-513c, 9-513d and 45-221  
42 are hereby repealed.

43 Sec. 9. This act shall take effect and be in force from and after its



- 1 publication in the statute book.