

**SENATE BILL No. 16**

By Legislative Post Audit Committee

1-12

1 AN ACT concerning the legislative division of post audit; removing the  
2 requirement to submit certain documents thereto; amending K.S.A. 22-  
3 4514a, 75-3728c, 76-721 and 79-3233b and repealing the existing  
4 sections.

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

7 Section 1. K.S.A. 22-4514a is hereby amended to read as follows: 22-  
8 4514a. (a) Any nonprofit corporation, organized under the laws of the state  
9 of Kansas for the purpose of providing legal services to indigent inmates  
10 of Kansas correctional institutions may submit its annual operating budget  
11 for the next fiscal year of the state, including salaries and all other  
12 expenses of operation, to the state board of indigents' defense services.  
13 Such budget shall set forth the maximum obligation of financial aid and  
14 contributions proposed for payment by the state board of indigents'  
15 defense services and the availability of any additional funds from the  
16 federal government and other sources to meet such operating costs.

17 (b) If such budget is approved by the state board of indigents' defense  
18 services, ~~on July 1 of the next fiscal year~~ the amount of the maximum  
19 obligation of financial aid to be paid by the state board of indigents'  
20 defense services as set forth in the approved budget may then be paid in a  
21 lump sum *amount* to the corporation *on July 1 of the next fiscal year*.

22 (c) After the end of the fiscal year, any such nonprofit corporation  
23 shall furnish ~~to the post auditor and the director of the budget~~ an audited  
24 statement of actual expenditures incurred *to the director of the budget*. Any  
25 balance remaining unused shall be applied to the next budget for the  
26 purposes specified in this section.

27 Sec. 2. K.S.A. 75-3728c is hereby amended to read as follows: 75-  
28 3728c. ~~(a) Thirty (30) days from the date the director of accounts and~~  
29 ~~reports authorizes the write-off of any accounts receivable or taxes~~  
30 ~~receivable, the director shall certify to the legislative post audit committee~~  
31 ~~a summary of all such receivables which are written off.~~

32 ~~(b) The secretary of administration shall adopt rules and regulations~~  
33 ~~as provided in K.S.A. 75-3706, and amendments thereto, specifying the~~  
34 ~~conditions which that shall apply to the write-off of accounts receivable~~  
35 ~~and taxes receivable. Any such rule and regulation may apply generally or~~  
36 ~~be limited to receivables of certain state agencies or institutions or to~~

1 certain classes of receivables.

2 Sec. 3. K.S.A. 76-721 is hereby amended to read as follows: 76-721.  
3 The board of regents, or any state educational institution with the approval  
4 of the board of regents, may enter into contracts with any party or parties  
5 including any agency of the United States or any state or any subdivision  
6 of any state or with any person, partnership or corporation if the purpose  
7 of such contract is related to the operation or function of such board or  
8 institution. If such contract is with a corporation whose operations are  
9 substantially controlled by the board or any state educational institution,  
10 such contract shall provide that the books and records of such corporation  
11 shall be public records and shall require an annual audit by an independent  
12 certified public accountant to be furnished to the board of regents ~~and filed~~  
13 ~~with the state agency in charge of post-auditing state expenditures.~~ All  
14 contracts of state educational institutions shall be subject to the provisions  
15 of K.S.A. 75-3711b, and amendments thereto.

16 Sec. 4. K.S.A. 79-3233b is hereby amended to read as follows: 79-  
17 3233b. (a) The secretary shall maintain a record of each abatement that  
18 reduces a final tax liability by \$5,000 or more. Such record shall contain:  
19 (1) The name and address of the taxpayer, and the petitioner, if different;  
20 (2) the disputed tax liability including penalty and interest; (3) the  
21 taxpayer's grounds for contesting the liability together with all supporting  
22 evidence; (4) all staff recommendations, reports and audits; (5) the reasons  
23 for, conditions to, and the amount of the abatement; and (6) the payment  
24 made, if any. Such records shall be maintained by the department for nine  
25 years.

26 (b) The secretary shall make an annual report that identifies the  
27 taxpayer, summarizes the issues and the reasons for abatement, and states  
28 the amount of liability that was abated pursuant to this section for each  
29 abatement that reduced a final tax liability by \$5,000 or more. The  
30 secretary shall file the report with the secretary of state, ~~the division of~~  
31 ~~post-audit of the legislature~~ and the attorney general on or before  
32 September 30 of each year. Any other provision of law notwithstanding,  
33 the secretary shall make the annual report available for public inspection  
34 upon written request.

35 ~~(c) In order to express the intent of the legislature upon first~~  
36 ~~enactment of this section, the provisions of this section and amendments~~  
37 ~~enacted herein shall be effective retroactively to the original enactment of~~  
38 ~~this section on and after July 1, 1999.~~

39 Sec. 5. K.S.A. 22-4514a, 75-3728c, 76-721 and 79-3233b are hereby  
40 repealed.

41 Sec. 6. This act shall take effect and be in force from and after its  
42 publication in the statute book.