

HOUSE BILL No. 2337

By Committee on Financial Institutions and Pensions

Requested by Robert Jacobs on behalf of the Kansas Bureau of Investigation

2-7

1 AN ACT concerning money transmission; imposing a fee on each
2 international transaction by a money transmitter by wire; establishing
3 an income tax credit for fees paid; allowing the state bank
4 commissioner to assess penalties for the nonpayment of such fees;
5 providing for the distribution of such fee and penalty moneys;
6 establishing the criminal litigation fund, wire transfer fee fund and
7 prosecutor and law enforcement grant fund; creating a misdemeanor
8 crime of unlawful transmission of a wire transfer and providing
9 criminal penalties therefor; amending K.S.A. 2024 Supp. 9-555 and 75-
10 5133 and repealing the existing sections.

11

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

13 New Section 1. (a) Any money transmitter by wire, as defined in
14 K.S.A. 2024 Supp. 9-555, and amendments thereto, shall collect a fee of
15 \$7.50 for each international transaction of \$500 or less, or an amount equal
16 to 1.5% of any international transaction in excess of \$500. A receipt for
17 such fee shall be issued to the customer.

18 (b) Any such money transmitter by wire shall file monthly reports
19 and returns with the director of taxation electronically at such times, in
20 such form and with such information, including records of all international
21 transaction receipts, as required by the director of taxation. The money
22 transmitter by wire, at the time of filing such monthly return, shall pay by
23 electronic fund transfer to the director of taxation the amount of fees
24 collected as provided by this section. Such return and payment of fees
25 shall be due on or before the 25th day of each month following the monthly
26 reporting period of the return.

27 (c) The secretary of revenue:

28 (1) Shall notify the state bank commissioner of any money transmitter
29 by wire that has not filed a monthly report for more than 60 days;

30 (2) may, upon request of the commissioner, assist in conducting
31 audits and the seeking of legal remedies to ensure compliance with this
32 section;

33 (3) may request the commissioner to make a claim against the surety
34 bond of the money transmitter by wire for unpaid fees, interest and fines
35 on behalf of the state; and

1 (4) may adopt rules and regulations necessary to administer the
2 provisions of subsections (a) through (c).

3 (d) The commissioner may:

4 (1) Assess penalties equal to the amount of fees owed for
5 nonpayment of fees as provided in this section;

6 (2) make a claim against the surety bond of the licensee for unpaid
7 fees, interest and fines on behalf of the state upon the request of the
8 director of taxation; and

9 (3) adopt rules and regulations necessary to administer the provisions
10 of this subsection.

11 (e) (1) All money transmitter by wire fee moneys collected by the
12 director of taxation and all penalties assessed by the commissioner
13 pursuant to this section shall be remitted to the state treasurer on July 15,
14 2026, and each July 15, thereafter. Upon receipt of each such remittance,
15 the state treasurer shall deposit the entire amount in the state treasury and
16 shall credit to the state general fund an amount equal to the amount of tax
17 credits allowed under section 5, and amendments thereto, for the
18 immediately preceding tax year, as certified by the director of taxation.
19 The balance of such fee and penalty moneys shall be credited as follows:

20 (A) 30% to the criminal litigation fund established in section 2, and
21 amendments thereto;

22 (B) 45% to the wire transfer fee fund established in section 3, and
23 amendments thereto; and

24 (C) 25% to the prosecutor and law enforcement grant fund
25 established in section 4, and amendments thereto.

26 (2) At the same time that the director of taxation transmits
27 certification to the state treasurer, the director of taxation shall transmit a
28 copy of each such certification to the director of the budget and the
29 director of legislative research.

30 (f) The provisions of K.S.A. 79-3609, 79-3610, 79-3611, 79-3612,
31 79-3615, 79-3617 and 79-3643, and amendments thereto, shall apply to the
32 administration and enforcement of the fee authorized by this section.

33 New Sec. 2. There is hereby established in the state treasury the
34 criminal litigation fund. The criminal litigation fund shall be administered
35 by the attorney general. All expenditures from such fund shall be for the
36 costs of investigating and prosecuting criminal cases. No expenditures
37 shall be made from such fund for the activities of the medicaid fraud and
38 abuse division created by K.S.A. 75-725, and amendments thereto. All
39 expenditures from such fund shall be made in accordance with
40 appropriation acts upon warrants of the director of accounts and reports
41 issued pursuant to vouchers approved by the attorney general or the
42 attorney general's designee.

43 New Sec. 3. There is hereby established in the state treasury the wire

1 transfer fee fund. The wire transfer fee fund shall be administered by the
2 director of the Kansas bureau of investigation. All expenditures from such
3 fund shall be for complex drug and white-collar criminal investigations.
4 All expenditures from such fund shall be made in accordance with
5 appropriation acts upon warrants of the director of accounts and reports
6 issued pursuant to vouchers approved by the director of the Kansas bureau
7 of investigation or the director's designee.

8 New Sec. 4. (a) There is hereby established in the state treasury the
9 prosecutor and law enforcement grant fund. The prosecutor and law
10 enforcement grant fund shall be administered by the Kansas criminal
11 justice coordinating council established by K.S.A. 74-9501, and
12 amendments thereto. All moneys credited to such fund shall be for the
13 purpose of awarding grants to county attorneys or district attorneys or
14 local law enforcement agencies in accordance with the standards and
15 statewide strategic plan adopted for the federal Edward Byrne memorial
16 justice assistance grant program. All expenditures from such fund shall be
17 made in accordance with appropriation acts upon warrants of the director
18 of accounts and reports issued pursuant to vouchers approved by the
19 chairperson of the Kansas criminal justice coordinating council or the
20 chairperson's designee.

21 (b) Any law enforcement agency that has a policy of refusing or
22 failing to coordinate with federal immigration authorities or refuses to
23 honor an immigration detainer to the best of their ability shall be ineligible
24 for any distribution of funds from the prosecutor and law enforcement
25 grant fund. The attorney general shall identify, on an annual basis, to the
26 Kansas criminal justice coordinating council any agency that is ineligible
27 for funds pursuant to this subsection.

28 New Sec. 5. (a) For taxable years commencing after December 31,
29 2023, there shall be allowed a credit against the tax imposed by the Kansas
30 income tax act and the privilege tax pursuant to K.S.A. 79-1106 et seq.,
31 and amendments thereto, an amount equal to the amount of any fees paid
32 pursuant to the provisions of section 1, and amendments thereto, during
33 the tax year.

34 (b) The credit allowed by this section shall not exceed the amount of
35 tax imposed under the Kansas income tax act or the privilege tax reduced
36 by the sum of any other credits allowable pursuant to law. If the amount of
37 such tax credit exceeds the taxpayer's income or privilege tax liability for
38 such tax year, the taxpayer may carry over the amount that exceeds such
39 tax liability for deduction from the taxpayer's liability in the next
40 succeeding tax year or years until the total amount of the tax credit has
41 been deducted from tax liability, except that no such tax credit shall be
42 carried over for deduction after the 5th tax year succeeding the tax year in
43 which the expenditures were incurred.

1 New Sec. 6. (a) Unlawful transmission of a wire transfer is any of the
 2 following when done by a person who is not a United States citizen or an
 3 alien who is lawfully present in the United States:

- 4 (1) Sending or receiving a wire transfer;
- 5 (2) depositing money in a financial institution for the purpose of
 6 sending a wire transfer; or
- 7 (3) withdrawing the proceeds of a wire transfer.

8 (b) Unlawful transmission of a wire transfer is a class C nonperson
 9 misdemeanor.

10 (c) This section shall be a part of and supplemental to the Kansas
 11 criminal code.

12 Sec. 7. K.S.A. 2024 Supp. 9-555 is hereby amended to read as
 13 follows: 9-555. (a) K.S.A. 2024 Supp. 9-555 through 9-596, and
 14 amendments thereto, shall be known and may be cited as the Kansas
 15 money transmission act.

16 (b) As used in the Kansas money transmission act:

- 17 (1) "Act" means the Kansas money transmission act.
- 18 (2) "Acting in concert" means persons knowingly acting together
 19 with a common goal of jointly acquiring control of a licensee whether or
 20 not pursuant to an express agreement.

21 (3) "Authorized delegate" means a person designated by a licensee to
 22 engage in money transmission on behalf of the licensee.

23 (4) "Average daily money transmission liability" means the amount of
 24 the licensee's outstanding money transmission obligations in Kansas at the
 25 end of each day in a given period of time added together and divided by
 26 the total number of days in the given period of time. For any licensee
 27 required to calculate "average daily money transmission liability" pursuant
 28 to this act, the given period of time shall be the calendar quarters ending
 29 March 31, June 30, September 30 and December 31.

30 (5) "Closed loop stored value" means stored value that is redeemable
 31 by the issuer only for goods or services provided by the issuer or the
 32 issuer's affiliates or franchisees of the issuer or the franchisees's affiliates,
 33 except to the extent required by applicable law to be redeemable in cash
 34 for its cash value.

35 (6) "Commissioner" means the state bank commissioner, or a person
 36 designated by the state bank commissioner to enforce this act.

37 (7) "Control" means the power to:

38 (A) Vote directly or indirectly at least 25% of the outstanding voting
 39 shares or voting interests of a licensee or person in control of a licensee;

40 (B) elect or appoint a majority of key individuals or executive
 41 officers, managers, directors, trustees or other persons exercising
 42 managerial authority of a person in control of a licensee; or

43 (C) exercise, directly or indirectly, a controlling influence over the

1 management or policies of a licensee or person in control of a licensee.

2 (8) "Eligible rating" means a credit rating from any of the three
3 highest rating categories provided by an eligible rating service. Each rating
4 category may include rating category modifiers such as plus or minus for
5 Standard & Poor or the equivalent for any other eligible rating service.
6 "Eligible rating" shall be determined as follows:

7 (A) Long-term credit ratings shall be deemed eligible if the rating is
8 equal to A- or higher by Standard & Poor or the equivalent from any other
9 eligible rating service.

10 (B) Short-term credit ratings are deemed eligible if the rating is equal
11 to or higher than A-2 or SP-2 by Standard & Poor or the equivalent from
12 any other eligible rating service. If ratings differ among eligible rating
13 services, the highest rating shall apply when determining whether a
14 security bears an eligible rating.

15 (9) "Eligible rating service" means any nationally recognized
16 statistical rating organization that has been registered by the securities and
17 exchange commission or any organization designated by the commissioner
18 through order or rules and regulations as an eligible rating service.

19 (10) "Federally insured depository financial institution" means a
20 bank, credit union, savings and loan association, trust company, savings
21 association, savings bank, industrial bank or industrial loan company
22 organized under the laws of the United States or any state of the United
23 States, when such bank, credit union, savings and loan association, trust
24 company, savings association, savings bank, industrial bank or industrial
25 loan company has federally insured deposits.

26 (11) "In Kansas" means the:

27 (A) Physical location of a person who is requesting a transaction in
28 person in the state of Kansas; or

29 (B) person's residential address or the principal place of business for a
30 person requesting a transaction electronically or by telephone if such
31 residential address or principal place of business is in the state of Kansas.

32 (12) "Individual" means a natural person.

33 (13) "Key individual" means any individual ultimately responsible for
34 establishing or directing policies and procedures of the licensee, including,
35 but not limited to, an executive officer, manager, director or trustee.

36 (14) "Licensee" means a person licensed under this act.

37 (15) "Material litigation" means litigation, that according to United
38 States generally accepted accounting principles, is significant to a person's
39 financial health and would be a required disclosure in the person's annual
40 audited financial statements, report to shareholders or similar records.

41 (16) "Money" means a medium of exchange that is authorized or
42 adopted by the United States or a foreign government. "Money" includes a
43 monetary unit of account established by an intergovernmental organization

1 or by agreement between two or more governments.

2 (17) "Monetary value" means a medium of exchange, whether or not
3 redeemable in money.

4 (18) (A) "Money transmission" means any of the following:

5 (i) Selling or issuing payment instruments to a person located in
6 Kansas;

7 (ii) selling or issuing stored value to a person located in Kansas;

8 (iii) receiving money for transmission from a person located in
9 Kansas; or

10 (iv) payroll processing services.

11 (B) "Money transmission" does not include the provision of solely
12 online or telecommunications services or network access.

13 (19) "Money service business accredited state" means a state agency
14 that is accredited by the conference of state bank supervisors and money
15 transmitter regulators association for money transmission licensing and
16 supervision.

17 (20) *"Money transmitter by wire" means any person receiving*
18 *payment for the service of sending or receiving money from another*
19 *location or person. "Money transmitter by wire" does not include:*

20 (A) *The United States government or a department, agency or*
21 *instrumentality thereof;*

22 (B) *money transmission by the United States postal service or by a*
23 *contractor on behalf of the United States postal service;*

24 (C) *a state, county, city or any other governmental agency or*
25 *political subdivision of a state;*

26 (D) *electronic funds transfer of governmental benefits for a federal,*
27 *state, county or governmental agency by a contractor on behalf of the*
28 *United States government or a department, agency or instrumentality*
29 *thereof, a state or governmental subdivision, agency or instrumentality*
30 *thereof;*

31 (E) *a board of trade designated as a contract market under the*
32 *federal commodity exchange act or a person that, in the ordinary course*
33 *of business, provides clearance and settlement services for a board of*
34 *trade to the extent of such person's operation as or for such a board of*
35 *trade;*

36 (F) *a registered futures commission merchant under the federal*
37 *commodities law to the extent of its operation as such merchant;*

38 (G) *a person that provides clearance or settlement services pursuant*
39 *to a registration as a clearing agency or an exemption from such*
40 *registration granted under federal securities law to the extent of such*
41 *person's operation as a provider;*

42 (H) *an operator of a payment system to the extent that such operator*
43 *provides processing, clearing or settlement services, between or among*

1 *persons excluded by this subsection, in connection with wire transfers,*
2 *credit card transactions, debit card transactions, stored-value*
3 *transactions, automated clearing house transfers or similar funds*
4 *transfers;*

5 *(I) a person registered as a securities broker-dealer under federal or*
6 *state securities law to the extent of such person's operation as a broker-*
7 *dealer; or*

8 *(J) a federally insured depository financial institution.*

9 ~~(20)~~(21) "Multistate licensing process" means any agreement entered
10 into by state regulators relating to coordinated processing of applications
11 for money transmission licenses, applications for the acquisition of control
12 of a licensee, control determinations or notice and information
13 requirements for a change of key individuals.

14 ~~(21)~~(22) "Nationwide multistate licensing system and registry" means
15 a licensing system developed by the conference of state bank supervisors
16 and the American association of residential mortgage regulators and
17 owned and operated by the state regulatory registry, limited liability
18 company or any successor or affiliated entity for the licensing and
19 registration of persons in financial services industries.

20 ~~(22)~~(23) (A) "Outstanding money transmission obligation" means:

21 (i) Any payment instrument or stored value issued or sold by the
22 licensee to a person located in the United States or reported as sold by an
23 authorized delegate of the licensee to a person that is located in the United
24 States that has not yet been paid or refunded by or for the licensee or
25 escheated in accordance with applicable abandoned property laws; or

26 (ii) any money received for transmission by the licensee or an
27 authorized delegate in the United States from a person located in the
28 United States that has not been received by the payee or refunded to the
29 sender or escheated in accordance with applicable abandoned property
30 laws.

31 (B) "In the United States" includes a person in any state, territory or
32 possession of the United States, the District of Columbia, the
33 commonwealth of Puerto Rico or a United States military installation that
34 is located in a foreign country.

35 ~~(23)~~(24) "Passive investor" means a person that:

36 (A) Does not have the power to elect a majority of key individuals or
37 executive officers, managers, directors, trustees or other persons exercising
38 managerial authority of a person in control of a licensee;

39 (B) is not employed by and does not have any managerial duties of
40 the licensee or person in control of a licensee; or

41 (C) does not have the power to exercise, directly or indirectly, a
42 controlling influence over the management or policies of a licensee or
43 person in control of a licensee; and

1 (D) (i) Either attests to subparagraphs (A), (B) and (C) in a form and
2 in a manner prescribed by the commissioner; or

3 (ii) commits to the passivity characteristics of subparagraphs (A), (B)
4 and (C) in a written document.

5 ~~(24)~~(25) (A) "Payment instrument" means a written or electronic
6 check, draft, money order, traveler's check or other written or electronic
7 instrument for the transmission or payment of money or monetary value,
8 regardless of negotiability.

9 (B) "Payment instrument" does not include stored value or any
10 instrument that is:

11 (i) Redeemable by the issuer only for goods or services provided by
12 the issuer or the issuer's affiliate or franchisees of the issuer or the
13 franchisees' affiliate, except to the extent required by applicable law to be
14 redeemable in cash for its cash value; or

15 (ii) not sold to the public but issued and distributed as part of a
16 loyalty, rewards or promotional program.

17 ~~(25)~~(26) "Payroll processing services" means the receipt of money for
18 transmission pursuant to a contract with a person to deliver wages or
19 salaries, make payment of payroll taxes to state and federal agencies, make
20 payments relating to employee benefit plans or make distributions of other
21 authorized deductions from wages or salaries. "Payroll processing
22 services" does not include an employer performing payroll processing
23 services on the employer's own behalf or on behalf of an affiliate.

24 ~~(26)~~(27) "Person" means any individual, general partnership, limited
25 partnership, limited liability company, corporation, trust, association, joint
26 stock corporation or other corporate entity identified or recognized by the
27 commissioner.

28 ~~(27)~~(28) "Receiving money for transmission" or "money received for
29 transmission" means the receipt of money or monetary value in the United
30 States for transmission within or outside the United States by electronic or
31 other means.

32 ~~(28)~~(29) "Stored value" means monetary value representing a claim
33 against the issuer evidenced by an electronic or digital record and that is
34 intended and accepted for use as a means of redemption for money or
35 monetary value or payment for goods or services. "Stored value" includes,
36 but is not limited to, prepaid access as defined by 31 C.F.R. § 1010.100.
37 "Stored value" does not include a payment instrument or closed loop
38 stored value or stored value not sold to the public but issued and
39 distributed as part of a loyalty, rewards or promotional program.

40 ~~(29)~~(30) "Tangible net worth" means the aggregate assets of a
41 licensee excluding all intangible assets, less liabilities, as determined in
42 accordance with United States generally accepted accounting principles.

43 (c) This section shall take effect on and after January 1, 2025.

1 Sec. 8. K.S.A. 2024 Supp. 75-5133 is hereby amended to read as
2 follows: 75-5133. (a) Except as otherwise more specifically provided by
3 law, all information received by the secretary of revenue, the director of
4 taxation or the director of alcoholic beverage control from returns, reports,
5 license applications or registration documents made or filed under the
6 provisions of any law imposing any sales, use or other excise tax
7 administered by the secretary of revenue, the director of taxation, or the
8 director of alcoholic beverage control, or from any investigation conducted
9 under such provisions, shall be confidential, and it shall be unlawful for
10 any officer or employee of the department of revenue to divulge any such
11 information except in accordance with other provisions of law respecting
12 the enforcement and collection of such tax, in accordance with proper
13 judicial order or as provided in K.S.A. 74-2424, and amendments thereto.

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

15 (1) Publish statistics, so classified as to prevent identification of
16 particular reports or returns and the items thereof;

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

19 (3) provide the post auditor access to all such excise tax reports or
20 returns in accordance with and subject to the provisions of K.S.A. 46-
21 1106(e), and amendments thereto;

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

26 (5) provide information from returns and reports filed under article 42
27 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto,
28 to county appraisers as is necessary to ensure proper valuations of
29 property. Information from such returns and reports may also be
30 exchanged with any other state agency administering and collecting
31 conservation or other taxes and fees imposed on or measured by mineral
32 production;

33 (6) provide, upon request by a city or county clerk or treasurer or
34 finance officer of any city or county receiving distributions from a local
35 excise tax, monthly reports identifying each retailer doing business in such
36 city or county or making taxable sales sourced to such city or county,
37 setting forth the tax liability and the amount of such tax remitted by each
38 retailer during the preceding month, and identifying each business location
39 maintained by the retailer and such retailer's sales or use tax registration or
40 account number;

41 (7) provide information from returns and applications for registration
42 filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-
43 3601, and amendments thereto, to a city or county treasurer or clerk or

1 finance officer to explain the basis of statistics contained in reports
2 provided by subsection (b)(6);

3 (8) disclose the following oil and gas production statistics received by
4 the department of revenue in accordance with K.S.A. 79-4216 et seq., and
5 amendments thereto: Volumes of production by well name, well number,
6 operator's name and identification number assigned by the state
7 corporation commission, lease name, leasehold property description,
8 county of production or zone of production, name of purchaser and
9 purchaser's tax identification number assigned by the department of
10 revenue, name of transporter, field code number or lease code, tax period,
11 exempt production volumes by well name or lease; or any combination of
12 this information;

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

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

26 (11) release or publish cigarette and tobacco license information
27 obtained from cigarette and tobacco licensees in accordance with the
28 Kansas cigarette and tobacco products act. The information to be released
29 is limited to: County name, owner, business name, address, license type
30 and license number;

31 (12) provide environmental surcharge or solvent fee, or both,
32 information from returns and applications for registration filed pursuant to
33 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secretary
34 of health and environment or the secretary's designee for the sole purpose
35 of ensuring that retailers collect the environmental surcharge tax or solvent
36 fee, or both;

37 (13) provide water protection fee information from returns and
38 applications for registration filed pursuant to K.S.A. 82a-954, and
39 amendments thereto, to the secretary of the state board of agriculture or the
40 secretary's designee and the secretary of the Kansas water office or the
41 secretary's designee for the sole purpose of verifying revenues deposited to
42 the state water plan fund;

43 (14) provide to the secretary of commerce copies of applications for

1 project exemption certificates sought by any taxpayer under the enterprise
2 zone sales tax exemption pursuant to K.S.A. 79-3606(cc), and
3 amendments thereto;

4 (15) disclose information received pursuant to the Kansas cigarette
5 and tobacco act and subject to the confidentiality provisions of this act to
6 any criminal justice agency, as defined in K.S.A. 22-4701(c), and
7 amendments thereto, or to any law enforcement officer, as defined in
8 K.S.A. 21-5111, and amendments thereto, on behalf of a criminal justice
9 agency, when requested in writing in conjunction with a pending
10 investigation;

11 (16) provide to retailers tax exemption information for the sole
12 purpose of verifying the authenticity of tax exemption numbers issued by
13 the department;

14 (17) provide information concerning remittance by sellers, as defined
15 in K.S.A. 12-5363, and amendments thereto, of prepaid wireless 911 fees
16 from returns to the local collection point administrator, as defined in
17 K.S.A. 12-5363, and amendments thereto, for purposes of verifying seller
18 compliance with collection and remittance of such fees;

19 (18) release or publish charitable gaming information obtained in
20 charitable gaming licensee and registration applications and renewals in
21 accordance with the Kansas charitable gaming act, K.S.A. 75-5171 et seq.,
22 and amendments thereto. The information to be released is limited to: The
23 name, address, phone number, license registration number and email
24 address of the organization, distributor or of premises;

25 (19) provide to the attorney general confidential information for
26 purposes of determining compliance with or enforcing K.S.A. 50-6a01 et
27 seq., and amendments thereto, the master settlement agreement referred to
28 therein and all agreements regarding disputes under the master settlement
29 agreement. The secretary and the attorney general may share the
30 information specified under this subsection with any of the following:

31 (A) Federal, state or local agencies for the purposes of enforcement
32 of corresponding laws of other states; and

33 (B) a court, arbitrator, data clearinghouse or similar entity for the
34 purpose of assessing compliance with or making calculations required by
35 the master settlement agreement or agreements regarding disputes under
36 the master settlement agreement, and with counsel for the parties or expert
37 witnesses in any such proceeding, if the information otherwise remains
38 confidential; ~~and~~

39 (20) disclose taxpayer information that is received from income tax
40 returns to the department of commerce that may be disclosed pursuant to
41 the provisions of K.S.A. 2024 Supp. 74-50,227, and amendments thereto,
42 for the purpose of including such information in the database required by
43 K.S.A. 2024 Supp. 74-50,227, and amendments thereto; *and*

1 (21) *provide information concerning a money transmitter by wire to*
2 *the state bank commissioner for the purposes of section 1, and*
3 *amendments thereto.*

4 (c) Any person receiving any information under the provisions of
5 subsection (b) shall be subject to the confidentiality provisions of
6 subsection (a) and to the penalty provisions of subsection (d).

7 (d) Any violation of this section shall be a class A, nonperson
8 misdemeanor, and if the offender is an officer or employee of this state,
9 such officer or employee shall be dismissed from office. Reports of
10 violations of this paragraph shall be investigated by the attorney general.
11 The district attorney or county attorney and the attorney general shall have
12 authority to prosecute any violation of this section if the offender is a city
13 or county clerk or treasurer or finance officer of a city or county.

14 Sec. 9. K.S.A. 2024 Supp. 9-555 and 75-5133 are hereby repealed.

15 Sec. 10. This act shall take effect and be in force from and after its
16 publication in the statute book.