

SCOTT SCHWAB
Secretary of State



Memorial Hall, 1st Floor
120 S.W. 10th Avenue
Topeka, KS 66612-1594
(785) 296-4564
sos.kansas.gov

STATE OF KANSAS

Testimony: SB424 (Proponent)

House Commerce, Labor & Economic Development Committee
Monday, March 16, 2020

Chairman Tarwater and members of the Committee:

Last year, our team reviewed over 1,000 statutes directly involving the Office of Secretary of State and found many needed updated, clarified or eliminated. SB424 is a product of that effort and we offer this testimony in support of the legislation.

SB424 clarifies the definition of street address used in business filings. The bill also aligns state statute regarding the abbreviation of professional associations and allows for electronic signatures for certain business filings received by the Office of Secretary of State. Finally, SB424 repeals three laws dating back to 1939 regarding blanket music licenses.

Blanket music licenses, most commonly, allow businesses to pay a set fee to a national organization (BMI and ASCAP are the dominant ones) and then play the background music you hear while dining or strolling through a store. Kansas is the only state that still requires these national organizations to annually file copies of every license issued to a state business. Neither the national organizations nor the businesses who pay for the licenses could articulate the reason for still filing these licenses. The paper licenses filed with our office are about 12 inches high and no one at the Secretary of State's office could recall anyone asking to see any of the filed licenses in over a decade.

Finally, SB424 provides a delayed effective date for certain Series LLC provisions enacted last year as part of HB2039. The LLC provisions of the bill that took effect in 2019 were implemented, however, the bill set a July 1, 2020, implementation date for several Series LLC provisions. Under SB424, we are seeking to delay the effective date to implement the Series LLC provisions to July 1, 2022, when we expect to be off the existing AS400 system and onto the new business filing system.

Thank you for your consideration of this testimony. On behalf of the Secretary of State, we respectfully ask for your support of SB424.

Respectfully Submitted,

Katie Koupal
Deputy Assistant Secretary of State
Communications & Policy