

# KANSAS REGISTER

State of Kansas

**JACK H. BRIER**  
Secretary of State

Vol. 1, No. 15

April 15, 1982

Pages 319-378

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State of Kansas

**KANSAS PUBLIC DISCLOSURE COMMISSION**

**NOTICE OF COMMISSION MEETING**

The Kansas Public Disclosure Commission will hold its monthly meeting on Wednesday, April 21, 1982, 109 West 9th, Topeka, Kansas, Room 504, at 10:00 a.m. For a copy of the meeting agenda call 913-296-4219.

CAROL E. WILLIAMS  
Commission's Administrative Assistant

Doc. No. 000194

State of Kansas

**DEPARTMENT OF HEALTH AND ENVIRONMENT**

**NOTICE OF PUBLIC HEARING**

A public hearing on the following Certificate of Need application is scheduled for 1:30 p.m., April 16, 1982, at the Horton National Guard Armory, 440 East 15th Street, Horton, Kansas. Any affected individual will have the opportunity during the meeting to testify, or question the applicant or others who testify.

APPLICANT: Horton Health Foundation  
TYPE OF PROJECT: Construction of Medical Arts Building  
LOCATION: Euclid Avenue  
Horton, Kansas 66439  
COST: \$491,500

JOSEPH F. HARKINS  
Secretary

Doc. No. 000196

State of Kansas

**SECRETARY OF STATE**

**NOTICE**

The following bills have been signed into law by the Governor, as of April 7, and transmitted to this office:

*Senate Bills*

36	476	542	610	657	743	785
72	504	547	613	665	760	791
73	505	548	618	675	763	803
174	506	550	622	677	764	812
203	507	557	636	687	768	820
301	514	562	640	689	769	826
370	530	569	646	693	773	843
438	537	589	650	707	781	857
441	538	593	655	741	782	

*House Bills*

2253	2654	2674	2713	2767	2834	3013
2394	2656	2675	2715	2768	2837	3068
2616	2657	2868	2724	2809	2918	3069
2617	2658	2695	2735	2810	2952	3070
2630	2661	2710	2738	2828	2998	3101
2636	2672					

The following bills have been vetoed by the Governor:

*Senate Bills:* 535, 664.

*House Bills:* 2632, 2634, 2887.

The following resolutions have been adopted by the Legislature and transmitted to this office:

*Senate Concurrent Resolutions:* 1633, 1644, 1647, 1649, 1650, 1651.

*House Concurrent Resolutions:* 5032, 5046, 5047, 5048, 5049, 5059.

*House Resolutions:* 6117, 6118, 6126, 6127, 6130, 6137, 6156.

Titles of the above bills and resolutions were listed in earlier editions of the *Kansas Register*, as they were introduced. Copies of enrolled (final) bills and resolutions are available from the Legislative Division of the Secretary of State's Office; State Capitol; Topeka 66612. Phone: 913/296-2236.

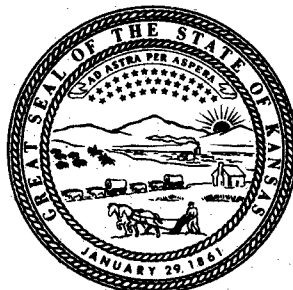
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PUBLISHED BY  
JACK H. BRIER  
Secretary of State  
State Capitol  
Topeka, Kansas 66612



PHONE: 913/296-2236

Carol A. Bell  
Publications Director

## State of Kansas

## LEGISLATURE

The following list gives the numbers and titles of bills and concurrent resolutions recently introduced in the Legislature.

Copies of bills and resolutions are available free of charge. (Limit: 5 copies of any one item.) Write: Legislative Document Room; State Capitol; Topeka, KS 66612. Or call: (913) 296-7394.

**Bills Introduced April 1-7:**

**SB 884**, by Committee on Federal and State Affairs: An act concerning the retail liquor sales enforcement tax; amending K.S.A. 79-4101 and repealing the existing section.

**SB 885**, by Committee on Federal and State Affairs: An act directing the state corporation commission to establish certain rates for the use of natural gas by certain residential users thereof.

**SB 886**, by Committee on Ways and Means: An act concerning certain claims against the state; making appropriations, authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain disbursements, procedures and acts incidental to the foregoing.

**SB 887**, by Committee on Federal and State Affairs: An act relating to the incorporation of cities; concerning proceeding for the determination of the validity thereof; amending K.S.A. 15-126 and repealing the existing section.

**SB 888**, by Committee on Ways and Means: An act concerning alcoholic liquor; restricting sales by certain persons; relating to certain taxes on sales and purchases of alcoholic liquor; prohibiting certain acts and providing penalties for violations; amending K.S.A. 41-701 and 79-4101 and K.S.A. 1981 Supp. 79-41a01 through 79-41a04 and repealing the existing sections.

**SB 889**, by Committee on Federal and State Affairs: An act relating to annexation; requiring  $\frac{3}{4}$  vote of certain affected electors; prohibiting the annexation of any territory of a United States military reservation which is situated in two or more countries; amending K.S.A. 1981 Supp. 12-520 and repealing the existing section.

**HB 3155**, by Committee on Ways and Means: An act concerning the financing of school districts; establishing budget limitations and state aid ratios to the funding of budgets on a multi-year basis; providing for reductions in general state aid entitlements under certain conditions; amending K.S.A. 72-7035, 72-7037, 72-7042, 72-7043, 72-7046, 72-7053, 72-7054, 72-7055, 72-7056, 72-7057, 72-7058, 72-7059, 72-7061, 72-7065 and 72-7077 and K.S.A. 1981 Supp. 12-1742, 12-3415a, 72-7033, 72-7040, 72-7045, 79-1022 and 79-5113, and repealing the existing sections; also repealing K.S.A. 72-7079.

**HB 3156**, by Committee on Ways and Means: An act concerning the powers and duties of the director of the Kansas energy office; amending K.S.A. 74-6804 and K.S.A. 1981 Supp. 74-6803 and repealing the existing sections.

**HB 3157**, by Committee on Ways and Means: An act creating the state parole board; providing for transfer of powers, duties, functions, funds and personnel of the Kansas adult authority to the state parole board; abolishing the Kansas adult authority; repealing K.S.A. 22-3707, 22-3708 and 22-3713 and K.S.A. 1981 Supp. 75-5285.

**HB 3158**, by Committee on Federal and State Affairs: An act concerning the taxation of cigarettes; relating to the amount thereof; amending K.S.A. 79-3310, 79-3311 and 79-3312 and repealing the existing sections.

**HB 3159**, by Committee on Ways and Means: An act concerning community colleges; establishing limitations on budgets of operating expenses; amending K.S.A. 1981 Supp. 71-612 and repealing the existing section.

**HB 3160**, by Committee on Ways and Means: An act concerning judges of the district court; providing for the abolition of all associate district judge positions and the creation in their places of district judge positions; amending K.S.A. 20-209, 20-327, 20-340, 25-101, 25-206, 25-212, 25-213, 25-611, 25-617, 25-1116, 25-1118, 25-2503, 25-2505, 25-3901 and 25-4153 and repealing the existing sections; also repealing K.S.A. 20-336, 20-339 and 20-352.

**HB 3161**, by Committee on Ways and Means: An act relating to oil and gas leases; concerning covenants of reasonable exploration and development of lands covered by such leases; prescribing certain circumstances under which a presumption of a breach and violation of such covenants will arise.

**HB 3162**, by Committee on Ways and Means: An act making and concerning appropriations for the fiscal year ending June 30, 1983, for the state historical society and the Kansas energy office; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain disbursements and acts incidental to the foregoing.

**HB 3163**, by Committee on Ways and Means: An act concerning the powers and duties of the secretary of social and rehabilitation services; relating to certain mineral rights in Ellsworth county.

**HB 3164**, by Committee on Ways and Means: An act concerning the practice of nursing; relating to the practice of nursing by students enrolled in accredited schools of professional or practical nursing; amending K.S.A. 65-1124 and repealing the existing section.

**HB 3165**, by Committee on Ways and Means: An act concerning fishing; amending section 2 of 1982 House Bill No. 3131 and repealing the existing section.

**HB 3166**, by Committee on Ways and Means: An act relating to annexation; prohibiting the annexation of any territory of a United States military reservation.

**HB 3167**, by Committee on Federal and State Affairs: An act relating to state agencies; enacting the Kansas administrative procedures act; establishing uniform procedures for certain licensure actions; amending K.S.A. 47-821, 47-830, 58-2806, 65-1121, 65-1436, 65-1456, 65-1458, 65-1459, 65-1627a, 65-1711a, 65-1722, 65-1824, 65-1828, 65-1829, 65-1908, 65-2836, 65-2844, 65-3508, 74-1406, 74-5324, 74-5333, 74-5818, 74-7026 and 74-7508 and K.S.A. 1981 Supp. 1-311, 1-312, 58-3044, 58-3050, 58-3057, 65-1120, 65-1449, 65-1820 and 75-5357 and repealing the existing sections; and also repealing K.S.A. 1-313, 1-314, 47-831, 47-833, 58-2807, 65-1450, 65-1452, 65-1453, 65-1454, 65-1627c, 65-1627d, 65-1627e, 65-1627f, 65-1627g, 65-1627h, 65-1628, 65-1628a, 65-1628b, 65-1821, 65-1826, 65-2842, 65-2843, 65-2845, 65-2848, 65-2849, 65-2850, 65-2851, 74-5330, 74-5331, 74-5332, 74-5334, 74-5335, 74-5336, 74-5337, 74-5338, 74-5820, 74-7027 and 74-7028 and K.S.A. 1981 Supp. 58-3052, 58-3053, 58-3055, 58-3058 and 58-3059.

**SCR 1663**, by Committee on Ways and Means: A proposition to amend section 6 of article 7 of the constitution of the state of Kansas, relating to a permanent tax levy and bonds for certain institutions and facilities.

**HR 5065**, by Representatives Justice and Peterson: A concurrent resolution declaring certain investments of public moneys in corporations and banks supporting Poland to be contrary to principles of human rights and calling on the Pooled Money Investment Board and the Board of Trustees of the Kansas Public Employees Retirement System to disapprove such investments.

**HCR 5066**, by Representative Justice: A concurrent resolution declaring certain investments of public moneys in corporations and banks supporting South Africa to be contrary to principles of human rights and social equality and calling on the Pooled Money Investment Board and the Board of Trustees of the Kansas Public Employees Retirement System to disapprove such investments.

**HCR 5067**, by Representative W. Fuller: A concurrent resolution congratulating and commending the Girl Scouts of the United States of America on their 70th anniversary and their campaign to develop greater understanding of and appreciation for water conservation.

**HR 6156**, by Representatives Cloud, Barkis, Brady, Branson, Charlton, Chronister, Cooper, Cribbs, Crumbaker, Dean, Duncan, Dyck, Elliott, Fox, Francisco, L. Fry, B. Fuller, W. Fuller, Garrett, Goering, Griffiths, Guffey, Guldner, Hagerman, Hassler, Hensley, Holt, Jarchow, Justice, Leach, Love, Luzzati, Mainey, Matlack, Meacham, D. Miller, Myers, Nichols, A. Niles, B. Ott, K. Ott, Peterson, Reardon, Roe, Rolfs, Roth, Solbach, Sughrue, Sutter, Thomson, Turnquist, Wilbert and Wilkin: A resolution memorializing Congress to establish a National Academy of Peace and Conflict Resolution.

**HR 6167**, by Representative Francisco: A resolution memorializing the United States Postmaster to grant individual mailing addresses to the cities of Haysville and Park City, Kansas.

**HR 6168**, by Representatives Guldner, Crumbaker, Farrar, Hayden, D. Heinemann, Holt, Johnson and Moomaw: A resolution honoring Western Kansas as someplace special to the State of Kansas and the nation as a whole.

## State of Kansas

## ATTORNEY GENERAL

## OPINION NO. 82-76

**Automobiles and Other Vehicles—Registration of Vehicles—Collection and Use of Registration Fees. Representative Kenneth W. Green, Seventy-Fifth District, El Dorado, April 1, 1982.**

The county treasurer has control over the means by which the duties imposed under the state motor vehicle registration laws are to be fulfilled. Thus, the county treasurer, and not the board of county commissioners, has the authority to fix the salaries of the necessary help needed to fulfill those duties. However, the county has no responsibility or authority to give financial assistance to the county treasurer in regard to the administration of the state motor vehicle registration laws. The financial resources available to the county treasurer to administer these laws are confined, by K.S.A. 1981 Supp. 8-145, to the amount deposited in the special fund provided for in that statute. (Attorney General Opinion No. 77-39 is withdrawn.) Cited herein: K.S.A. 1981 Supp. 8-145. RJB

(continued)

**OPINION NO. 82-77**

**Finance and Taxation—Internal Improvements—Construction of Fish Hatchery. Senator Jack Steinger, Sixth District, Kansas City, April 1, 1982.**

The construction of a state-owned fish hatchery, pursuant to the provisions of 1982 House Bill No. 3131, would not violate Article 11, Section 9 of the Kansas Constitution. Cited herein: K.S.A. 32-101, 32-201, 32-202, 32-212, 32-214, Kan. Const., Art. 11, § 9. TRH

**OPINION NO. 82-78**

**Cities and Municipalities—Governmental Organization—Consolidation of Operations, Procedures and Functions By Two or More Political Subdivisions. Sheldon J. Kamen, President, U.S.D. No. 259, Wichita, April 1, 1982.**

A county, city and school district may utilize the procedures of K.S.A. 12-3901 *et seq.* to provide for the consolidation of their respective "risk management" operations. Cited herein: K.S.A. 12-3901, 12-3902, 12-3905, 12-3906, 12-3908. TRH

**OPINION NO. 82-79**

**Bonds and Warrants—Cash-Basis Law—Installment-Purchase Agreement. Fred W. Johnson, Labette County Counselor, Oswego, April 1, 1982.**

K.S.A. 1981 Supp. 10-1116b exempts certain agreements from the scope of the Cash-Basis Law, K.S.A. 10-1101 *et seq.* Among such agreements are installment-purchase agreements where the municipality is obligated only to make periodic payments from funds appropriated for that purpose, either from the current budget or other revenue sources. A transfer of title in the property to the municipality would not affect the validity of such an agreement, provided that the required language of K.S.A. 1981 Supp. 10-1116b is included in the agreement. Cited herein: K.S.A. 10-1101, K.S.A. 1981 Supp. 10-1116b. JSS

**OPINION NO. 82-80**

**Intoxicating Liquors and Beverages—Cereal Malt Beverages—Qualifications of Manager of Licensed Premises. Jack Mendenhall, Rush County Sheriff, La Crosse, April 1, 1982.**

Although K.S.A. 41-2708(j) requires the suspension or revocation of a cereal malt beverage retailer's license because of the licensee's employment of a person convicted of a felony, K.S.A. 41-2703 permits a place of business to be conducted under such license by a manager or agent who has been convicted of a felony, if the conviction occurred more than two years preceding the application for such license. When these provisions are considered in conjunction with the legal distinction between a manager or agent and an employee, it is apparent the legislature intended to prescribe qualifications for a manager or agent that are different from those of other employees of such place of business. Thus, a person convicted of a felony may be the manager of a place of business licensed to sell cereal malt beverages at retail, if such person's conviction

occurred more than two years prior to the date of application for the cereal malt beverage retailer's license applicable to such place of business. Cited herein: K.S.A. 41-2703, 41-2708. WRA

**OPINION NO. 82-81**

**Counties and County Officers—County Commissioners; Powers and Duties—Bridge Construction; Exemption From Competitive Bid Letting. Fred W. Johnson, Labette County Counselor, Oswego, April 1, 1982.**

The competitive public bid letting requirements of K.S.A. 19-214 do not apply unless the amount of any single contract for bridge work exceeds \$10,000. Cited herein: K.S.A. 19-214, 68-520. RVE

**OPINION NO. 82-82**

**Automobiles and Other Vehicles—Drivers' Licenses—Habitual Violators; Effect of Prior Conviction Based on Plea of *Nolo Contendere*. Alan F. Alderson, General Counsel, Department of Revenue, Topeka, April 7, 1982.**

A person's prior conviction of one of the offenses enumerated in K.S.A. 1981 Supp. 8-285, based on a plea of *nolo contendere*, may properly be considered by a court in determining whether such person is a habitual violator pursuant to K.S.A. 8-284 *et seq.* Cited herein: K.S.A. 8-284, K.S.A. 1981 Supp. 8-285, K.S.A. 8-286, 22-3209. JMF

**OPINION NO. 82-83**

**Taxation—Mortgage Registration Fee—Instruments Subject Thereto; Irrevocable Letter of Credit Secured by Real Property. Maybell Hanigan, Labette County Register of Deeds, Oswego, April 7, 1982.**

A mortgage of real property, given in consideration for the issuance of an irrevocable letter of credit, secures an obligation, the amount of which provides the basis for determining the mortgage registration fee due thereon, and said mortgage may not be received and filed for record in the office of the register of deeds, until such mortgage registration fee has been paid. Cited herein: K.S.A. 1981 Supp. 79-3102, K.S.A. 79-3107. RJB

ROBERT T. STEPHAN  
Attorney General

## State of Kansas

**SOCIAL AND  
REHABILITATION SERVICES****NOTICE TO ALL PERSONS HAVING AN  
INTEREST IN THE ADMINISTRATIVE  
REGULATIONS PROMULGATED BY THE  
SECRETARY OF SOCIAL AND  
REHABILITATION SERVICES**

Notice is hereby given to all interested parties that on May 4, 1982, at 10:00 a.m., at the Staff Development Training Center, 2700 West Sixth Street, Topeka, Kansas, the Secretary of Social and Rehabilitation Services will hold a public hearing concerning the adoption on a temporary basis of certain proposed administrative regulations (to become effective July 1, 1982). A summary (including fiscal impact) of the proposed regulations is set forth below.

The phrase "Federal Mandate" following an item indicates that the proposed amendment is required by federal policy. Optional changes in regulations related to federal programs are subject to approval by Health and Human Services.

Certain of the amendments to the administrative regulations are only technical in nature (typographical, etc.). Such corrections do not affect policy and therefore are not mentioned in this summary.

1. **30-4-57. Employment registration requirements.** This regulation is being amended to delete the work registration exemption for those persons who are at least six months pregnant. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
2. **30-4-75. ADC work incentive program registration requirements.** This regulation is being amended to delete the WIN registration exemption for those persons who are at least six months pregnant. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
3. **30-4-80. Eligibility factors specific to the ADC-FC program.** This regulation is being amended to require that each ADC-FC case have a case plan and that the case status be reviewed on at least a six month basis by a panel to determine whether the child should be returned to the parent, continued in foster care for a specified period, placed for adoption, or continued in foster care on a permanent or long-term basis. (Federal Mandate)  
*Fiscal Impact:* None.
4. **30-4-101. Standards for persons in own or other family home.** This regulation is being amended to reflect a 3% increase in the basic and shelter standards.  
*Fiscal Impact:* Estimated increase in expenditures of \$2,235,921 (federal funds \$995,423, state funds \$1,240,498); estimated number of persons affected—67,640.
5. **30-4-102. Standards for persons in room, board, specialized living or care.** This regulation is being amended to reflect a 2% increase in the foster family care rates.

*Fiscal Impact:* Estimated increase in expenditures of \$141,454 (federal funds \$74,263, state funds \$67,191); estimated number of persons affected—3,150.

6. **30-4-110. Income.** This regulation is being amended to:
  - a. Require, for the purposes of retrospective budgeting, that income be of a continuous nature in order for it to be counted in determining eligibility and the amount of payment for the first and second retrospective months.
  - b. Modify the lump sum income policy to include the needs of any person whose income is being considered in establishing a period of ineligibility when such person is not included in the assistance plan. If a stepparent whose needs are not included in the assistance plan receives a lump sum payment, the stepparent's income deductions and disregards will be deducted prior to determining the period of ineligibility.  
(Federal Mandate)  
*Fiscal Impact:*
    - a. Minimal cost savings.
    - b. Minimal increase in expenditures.
7. **30-4-111. Applicable income.** This regulation is being amended to require the counting of any earned income tax credit that a stepparent is receiving in determining the amount of applicable income. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
8. **30-4-140. Payment amounts.** This regulation is being amended to require that an overpayment or underpayment adjustment be made if the earned income tax credit received by a recipient varies from the amount reflected in the monthly assistance grants received by the recipient in the previous calendar year. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
9. **30-6-41. Assistance planning.** This regulation is being amended to delete the provision authorizing medical payments to an unborn child even if the mother did not meet program eligibility requirements. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
10. **30-6-57. Employment registration requirement.** This regulation is being amended to delete the work registration exemption for those persons who are at least six months pregnant. (Federal Mandate)  
*Fiscal Impact:* Minimal cost savings.
11. **30-6-103. Determined eligibles; protected income levels for medicaid and non-FFP-FC determined eligibles.** This regulation is being amended to:
  - a. Add those persons who are receiving services under the community based services program to the group of persons whose financial eligibility is determined using the protected income level for independent living.
  - b. Increase the protected income levels to reflect the effects of the July 1, 1982 increase in SSI

(continued)

benefits and PA basic and shelter allowances on the PIL. The new Protected Income Levels are as follows:

1	2	3	4	5	6	7	8	9	10
310	410	420	430	453	495	537	579	621	663

(Federal Mandate)

*Fiscal Impact:*

- Estimated cost savings of \$75,633 (federal funds \$39,329, state funds \$36,304); estimated number of persons affected—250.
- Minimal increase in expenditures.

A copy of the proposed regulations may be obtained prior to the above mentioned hearing by contacting Mrs. Mary Slaybaugh, Legal Division, State Department of Social and Rehabilitation Services, 6th Floor, State Office Building, Topeka, Kansas 66612, (913) 296-3969. Written comments submitted prior to the hearing should be forwarded to Dr. Harder, Secretary of Social and Rehabilitation Services, 6th Floor, State Office Building, Topeka, Kansas 66612.

Interested persons will be given reasonable opportunity at the hearing to present their views and arguments on the adoption of the proposed regulations. Presentations should be in writing whenever possible. Depending on the number of persons wanting to speak, the department may require that each participant limit his or her oral presentation to no more than three (3) minutes.

ROBERT C. HARDER, SECRETARY  
State Department of Social and  
Rehabilitation Services

Doc. No. 000189

State of Kansas

## SECRETARY OF STATE

### NOTICE

Executive appointments made by the Governor, and in some cases by other state officials, are filed with the Secretary of State's office.

Complete listings of state agencies, boards and commissions are included in the *Kansas Directory*, which is published annually by, and available free of charge on request to, the Secretary of State's office.

County officials are listed in the *Directory of County Officers*, which is also published by the Secretary of State and available free of charge.

### EXECUTIVE APPOINTMENTS

(Appointments filed during March, 1982.)

[Eff.: effective date; Repl.: replaces; Reapp.: Re-appointment; Exp.: Appointment expires.]

*By the Governor*

### STATE CORPORATION COMMISSION

● Richard C. "Pete" Loux; 237 South Custer; Wichita 67213. Eff. 3-20-82. (Subject to Senate confirmation.) Reapp. Exp. 3-20-86.

### GOVERNOR'S ADVISORY COMMITTEE ON VETERANS' AFFAIRS

● Richard H. Barnes; Box 8503; Wichita 67208. Eff.

3-10-82. Repl. George Lancaster, resigned. Serves at the pleasure of the Governor.

### ALCOHOLIC BEVERAGE CONTROL BOARD OF REVIEW

● Richard D. Martens; 217 Post Oak; Wichita 67206. Eff. 3-1-82. Reapp. Exp. 3-1-86.

### ADVISORY COMMISSION FOR CRIPPLED CHILDREN

● Sonia L. Farthing; 547 Emporia; Valley Center 67147. Eff. 3-15-82. Repl. Patricia Koehn. Exp. 2-27-86.

### PRIVATE INDUSTRY COUNCIL

● T. Michael Fegan; 727 South Adams; Junction City 66441. Eff. 3-15-82. Repl. John Gray Montgomery. Serves at the pleasure of the Governor.

● Phil Ray; 2024 Ridgeview; Salina 67401. Eff. 3-15-82. Repl. Phil Howe. Serves at the pleasure of the Governor.

### STATE BUILDING ADVISORY COMMISSION

● H. Alan Bell; Route 4, High Meadow, Box 853; Manhattan 66502. Eff. 3-28-82. (Subject to Senate confirmation.) Repl. Terrance L. Glasscock. Exp. 12-31-85.

### STATE CIVIL SERVICE BOARD

● Leo Carvalho; Route 1; Independence 67301. Eff. 3-10-82. (Subject to Senate confirmation.) Repl. Janie A. Hudson. Exp. 1-31-86.

● Billy S. Sparks; 8517 West 90th Terrace; Overland Park 66212. Eff. 3-10-82. (Subject to Senate confirmation.) Reapp. Exp. 1-31-86.

### COUNTY COMMISSIONER, SECOND DISTRICT, RUSSELL COUNTY

● Warren J. Cooksey; 426 E. 13th; Russell 67665. Eff. 3-23-82. Repl. John K. Kennedy, resigned. Exp. when a successor is elected and qualifies according to law.

JACK H. BRIER  
Secretary of State

## State of Kansas

**DEPARTMENT OF ADMINISTRATION  
DIVISION OF PURCHASES****NOTICE TO BIDDERS**

Sealed bids for items hereinafter listed will be received by James I. Tolbert, Director of Purchases, State Office Building, Topeka, Kansas, until 2:00 p.m., C.S.T., or D.S.T., whichever is in effect on the date indicated, and then will be publicly opened.

**MONDAY, APRIL 26, 1982**

#25091

University of Kansas Medical Center, University of Kansas, Kansas State University—**BLOOD BANK PRODUCTS**

#25094

Department of Revenue, Topeka—**CIGARETTE STAMPS**

#25099

University of Kansas, Lawrence—**BOTTLED PROPANE GAS**

#49708

Kansas State Penitentiary, Lansing—**METAL DOORS, FRAMES AND HARDWARE, WINDOW FRAMES MATERIAL ONLY**

#49731

Department of Transportation, Topeka—**TRUCK MOUNTED DERRICK**

#49732

Department of Transportation, Chanute—**AUTOMATIC TRANSMISSION FLUID**

#49733

Department of Transportation—**TRAILER ARROW BOARDS, for Topeka and Hutchinson**

#49734

Department of Transportation, Hutchinson—**MOWER REPAIR PARTS**

#49735

Department of Transportation—**PAVEMENT BREAKERS, for Norton, Topeka, and Salina, Kansas**

#49740

Department of Transportation—**CRACK SEAL MACHINE, for Topeka, Salina, Norton, Chanute, Hutchinson and Garden City, Kansas.**

#49741

Department of Transportation—**WHEEL LOADERS, for Topeka, Garden City, Salina, Chanute, Hutchinson and Norton, Kansas**

#49742

Kansas Bureau of Investigation, Topeka—**REMOVAL AND INSTALLATION OF RADIO EQUIPMENT**

#49745

Department of Transportation—**CONCRETE VIBRATOR, for Norton, Chanute, Topeka and Hutchinson, Kansas**

#49746

Department of Transportation, Hutchinson—**AIR TAMPER**

#49761

Kansas State University, Manhattan—**WORD PROCESSING SYSTEM, for Fort Hays Experiment Station, Hays, Kansas**

#49769

Department of Social and Rehabilitation Services, Topeka—**4 PLY COTTON MOP YARN, for Kansas Industries f/t Blind**

#49770

Department of Social and Rehabilitation Services, Topeka—**WIRE MAT INSULATORS, for Kansas Industries f/t Blind, Kansas City, Kansas**

#49825

Kansas State Penitentiary, Lansing—**UNIFORM TROUSERS**

#49837

Kansas Technical Institute, Salina—**LABOR—MATERIAL, INSTALL AIR DISTRIBUTION SYSTEM**

**TUESDAY, APRIL 27, 1982**

#25088

University of Kansas Medical Center, Kansas City—**BLOOD BANK SETS**

#25093

Kansas State Agencies—**COFFEE AND TEA**

#49737

Department of Transportation—**AIR SINKER DRILLS, for Chanute and Hutchinson**

#49738

Department of Transportation—**SELF PROPELLED ROLLERS, for Topeka, Salina, Chanute, Hutchinson and Garden City, Kansas**

#49739

Department of Transportation—**SELF PROPELLED SWEEPER, for Chanute, Garden City and Hutchinson, Kansas**

#49755

Kansas State University, Manhattan—**CARDIAC OUTPUT COMPUTER/VETERINARY**

#49756

Department of Transportation—**WARNING LIGHTS, for Topeka and Hutchinson, Kansas**

#49762

Kansas State University, Manhattan—**MICRO-COMPUTER SYSTEM**

#49765

Department of Transportation—**PNEUMATIC HAMMER DRILL KIT, for Topeka and Salina, Kansas**

#49766

Kansas State University, Manhattan—**ALUMINUM PRIME WINDOWS—MATERIAL ONLY**

#49767

Department of Social and Rehabilitation Services, Topeka—**MUSLIN, for Kansas Industries f/t Blind**

#49775

Kansas State University, Manhattan—**FLOOR SCALE**

#A-4429

Department of Human Resources, Hutchinson—**REVISIONS TO AIR CONDITIONING EQUIPMENT, for Job Service Center at 518 N. Washington, Hutchinson**

#A-4371 &amp; A-4389

Department of Transportation—**INSULATE CEILINGS AND INSTALL INSULATED PANELING AND STORM WINDOWS AND DOORS, in Various Locations of District 2, at Salina and Belleville, Kansas**

*(continued)*

#A-4383

Department of Transportation—INSULATE CEILINGS, INSTALL INSULATED WALL PANELING, STORM WINDOWS AND STORM DOORS, in District 5 Building, Wichita, Kansas

WEDNESDAY, APRIL 28, 1982

#25096

Department of Health and Statewide—PERSONNEL RADIATION MONITORING

#49754

Kansas State University—CULTIVATORS, for Tribune Branch Experiment Station, Harvey County Experiment Station, and South Central Experiment Field, in Hutchinson

#49763

Department of Transportation—SNOW PLOW BLADES, for Topeka, Salina, Chanute and Garden City, Kansas

#49764

Department of Transportation—TEMPORARY MARKING TAPE, for Salina, Kansas

#49779

Kansas State University, Manhattan—VETERINARY SUPPLIES/APPARATUS

#49780

Kansas State University, Manhattan—ANIMAL DRUGS

#49781

Kansas State University, Manhattan—GAMMA COUNTER/DATA PACKAGE

#49783

Kansas State University, Manhattan—RECESSED TROFFERS

#49784

Governor's Office, Topeka—PLAIN PAPER COPIER

#49789

University of Kansas, Lawrence—LOW SPEED MODEMS

#49793

Department of Transportation—PLANT MIX BITUMINOUS MIXTURE, for areas near Sabetha, Lancaster, Jackson County and Brown County

#49794

Department of Transportation—PLANT MIX, BITUMINOUS MIXTURE, for area near Emporia, Kansas

#49795

Department of Transportation—PLANT MIX, BITUMINOUS MIXTURE, for areas near Kansas City and Olathe, Leavenworth County and Wyandotte County

#49796

Department of Transportation—PLANT MIX, BITUMINOUS MIXTURE, for areas in Topeka, Manhattan and Lawrence, Kansas

#49816

Emporia State University, Emporia—MICRO PROCESSORS AND PRINTERS

#49826

University of Kansas, Lawrence—LIGHT FIXTURES

#A-4297

Youth Center at Atchison—FURNISH AND INSTALL FIRE ALARM SYSTEM FOR VARIOUS BUILDINGS

#A-4390 and A-4391

Department of Transportation—INSULATE CEILINGS AND INSTALL INSULATED PANELING AND STORM WINDOWS AND DOORS, at Waverly and Erie, Kansas

THURSDAY, APRIL 29, 1982

#49797

Department of Transportation, Hutchinson—REFLECTIVE SHEETING, for Newton, Kansas

#49800

Kansas State University, Manhattan—WORD PROCESSING SYSTEM

#49803

University of Kansas, Lawrence—FTIR SPECTROMETER

#49806

Kansas State University, Manhattan—CO<sub>2</sub> INCUBATORS

#49808

University of Kansas, Lawrence—LIQUID CHROMATOGRAPHY SYSTEM

#49810

University of Kansas, Lawrence—LANE MARKING TAPE AND PRIMER

#49811

Department of Transportation—TRAFFIC PAINT REDUCER, for Topeka and Salina

#49812

Department of Transportation, Hutchinson—PLANT MIX, BITUMINOUS MIXTURE, for area near Oxford, Kansas

#49813

Department of Transportation, Topeka—AGGREGATE FOR MUDJACKING, for Wyandotte County

#49814

Department of Transportation—AGGREGATE AB SPECIAL, for areas near Netawaka, Emporia, Osage City, Lawrence, Eskridge, Admire, and Baldwin, Kansas

#49815

Emporia State University, Emporia—RENTAL OF EQUIPMENT, for Landfill on Campus

#49817

Kansas State University, Manhattan—PROGRAMMABLE AIR HANDLING EQUIPMENT CONTROLLERS

#49821

Kansas State University, Manhattan—ELECTRICAL SUPPLIES

#49822

Department of Transportation, Topeka—TRUCK TOOL BOX

#49829

Kansas State University, Manhattan—TABULATING CARDS WITH LOGO

#49830

University of Kansas, Lawrence—LABOR, MATERIAL—INSTALL ROOF SYSTEM

(continued)



#A-4456

Kansas Neurological Institute, Topeka—FIRE LINE EXTENSIONS AND ADDITIONS

FRIDAY, APRIL 30, 1982

#49804

Department of Administration, Division of Information Systems and Computing, Topeka—DATA BASE MANAGEMENT SYSTEM

#49823

Department of Transportation, Chanute—READY MIX, COMMERCIAL GRADE, for areas near Parsons and Independence, Kansas

#49824

Department of Transportation, Hutchinson—AB-3 AGGREGATE, for areas near Hutchinson and Kingman, Kansas

#49827

Kansas State University, Manhattan—FLOOR MACHINES

#49828

Kansas State Industrial Reformatory, Hutchinson—MEAT PRODUCTS

#A-4452

Department of Administration, Topeka—PROVIDE ACCESS DOOR, on 11th Floor of State Office Building, 915 Harrison, Topeka, Kansas

JAMES I. TOLBERT  
Director of Purchases

Doc. No. 000195

(Published in the KANSAS REGISTER, April 15, 1982.)

**NOTICE OF BOND SALE  
\$1,115,700.00  
GENERAL OBLIGATION BONDS  
OF THE  
CITY OF LEAVENWORTH, KANSAS**

The City of Leavenworth, Kansas, will receive sealed bids at the OFFICE OF THE CITY CLERK, CITY HALL, FIFTH AND SHAWNEE, LEAVENWORTH, KANSAS, until 11:00 o'clock a.m., Central Daylight Savings Time, on

TUESDAY, MAY 18, 1982

for \$1,115,700.00 par value GENERAL OBLIGATION BONDS of the City, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

*Details of the Bonds*

All of the bonds will be negotiable coupon bonds, will be in denominations of \$5,000.00 each, except Bond No. 1 which shall be in the denomination of \$5,700.00, dated June 1, 1982, and mature serially on June 1 in the years as follows:

Years	Principal
1983	\$125,700.00
1984	110,000.00
1985	110,000.00
1986	110,000.00
1987	110,000.00
1988	110,000.00
1989	110,000.00
1990	110,000.00
1991	110,000.00
1992	110,000.00

The bonds will bear interest at rates to be determined when sold as hereinafter provided, and said interest will be payable semiannually on June 1 and December 1 in each year, beginning June 1, 1983. Both principal of and interest on the bonds will be payable in lawful money of the United States of America at the Office of the State Treasurer in the City of Topeka, Kansas. The bonds are not subject to early redemption and prepayment.

*Conditions of Bid*

Proposals will be received on bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: Not more than five (5) different interest rates shall be specified and the same rate shall apply to all bonds of the same maturity. The repetition of an interest rate shall not constitute one of said maximum number of rates. Each interest rate specified shall be a multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%). No interest rate shall exceed the maximum permitted by law, and the difference between the highest rate specified and the lowest rate specified shall not exceed two percent (2%). No bid of less than par and accrued interest, and no bid of less than all the bonds, will be considered.

*Tax Exemption*

The bonds will constitute general obligations of the City, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable, tangible property within the territorial limits of the City.

*Basis of Award*

Each bid shall specify the total interest cost, the premium, if any, offered by the bidder, the net interest cost, the average annual interest rate, and the total principal and net interest cost. The net interest cost to the City shall be determined by subtracting the amount of premium, if any, from the total interest cost, which shall be stated in the bid as the basis for determining the lowest net interest cost. The bid will be awarded to the best bid, considering the lowest net interest cost to the City. The City reserves the right to waive irregularities and reject any and all bids.

*Legal Opinion*

The Bonds, properly prepared and executed, will be furnished by the City without cost to the successful bidder, and the bonds will be sold subject to the legal approving opinion of Nichols and Wolfe Chartered, Topeka, Kansas, Bond Counsel, whose final unqualified, approving opinion will be furnished and paid for by the City and delivered to the successful bidder as and when the bonds are delivered. Said bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing proofs which will include a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity.

*CUSIP Numbers*

At the request of the purchaser, CUSIP identification numbers will be printed on the bonds, but neither

(continued)

the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the City.

**Delivery**

Immediately following the sale of the bonds, the City will proceed promptly to have the bonds prepared and executed and will deliver the bonds to the successful bidder on or before July 1, 1982, at any bank in the cities of Topeka, Kansas, Wichita, Kansas, Kansas City, Missouri, Chicago, Illinois, New York, New York, or Los Angeles, California, at the expense of the City, as may be specified by the successful bidder. Delivery elsewhere will be made at the expense of the successful bidder.

**Good Faith Deposit**

Bids shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of two percent (2%) of the principal amount of bonds to be issued payable to the Treasurer, City of Leavenworth, Kansas. The check of the successful bidder will be cashed and proceeds thereof will be held as security for the performance of such bidders contract to purchase the bonds. In the event that the successful bidder shall fail to carry out his contract of purchase, the amount of said deposit shall be retained by the City as liquidated damages. No interest will be paid on the deposit made by the successful bidder. The checks of unsuccessful bidders will be returned promptly.

All bids will be opened and read at a regular meeting of the City Commission on Tuesday, May 18, 1982, at 11 o'clock a.m., Central Daylight Savings Time, and at said meeting the City Commission will act on the bids received.

Bids shall be submitted on the OFFICIAL BID FORM furnished by the City, and shall be addressed to the City at CITY HALL, FIFTH AND SHAWNEE, LEAVENWORTH, KANSAS 66048, ATTENTION: MARGUERITE STRANGE, CITY CLERK, and shall be plainly marked BOND BID, and must be received by the City Clerk prior to 11 a.m., Central Daylight Savings Time, on Tuesday, May 18, 1982.

Estimated assessed valuation figures of the City of Leavenworth, Kansas, for the year 1981, are as follows:

Equalized assessed valuation of taxable, tangible property .....	\$51,448,730.00
Assessed tangible valuation of motor vehicles .....	325,310.00
Equalized tangible valuation for computation of bonded indebtedness limitations . . .	\$51,774,040.00

**Application of Bond Proceeds**

The total bonded indebtedness of the City at the date hereof, including this proposed issue of bonds in the amount of \$1,115,700.00, is in the amount of \$7,651,500.00. The City also has Temporary Notes outstanding in the total principal amount of \$1,091,700.00, all of which shall be retired in part from

proceeds of the bonds, and in part from special assessments which have been collected in cash.

Dated this fifth day of April, 1982

MARGUERITE B. STRANGE  
City Clerk  
City of Leavenworth, Kansas

Doc. No. 000193

(Published in the KANSAS REGISTER, April 15, 1982.)

**NOTICE OF BOND SALE**  
**\$338,514.53**  
**GENERAL OBLIGATION BONDS**  
**SERIES A, 1982**  
**OF THE**  
**CITY OF PAOLA, KANSAS**

WRITTEN SEALED BIDS will be received and considered by the Governing Body of the City of Paola, Kansas (the "City"), at the City Hall, 19 East Peoria Street, Paola, Kansas 66071, at 4:00 o'clock a.m., Central Standard Time, on Tuesday, April 27, 1982, at which time and place said bonds will be publicly opened for the sale for cash of General Obligation Bonds, Series A, 1982, of the City of Paola, Kansas, in the principal amount of \$338,514.53. No bid will be considered at a price less than par and interest accrued on the bonds to the date of the payment therefor by the purchaser thereof. Said bonds will be dated June 1, 1982. The total par value of the issue is \$338,514.53. The bonds will be coupon bonds in the denomination of \$5,000.00 each, except Bond No. 1 which shall be in the denomination of \$3,514.53, and will mature serially without option of prior payment on June 1 of each year as follows:

\$13,514.53	on June 1, 1983
\$25,000.00	on June 1, 1984
\$30,000.00	on June 1 in each of the years 1985 and 1986
\$35,000.00	on June 1 in each of the years 1987 and 1988
\$40,000.00	on June 1 in each of the years 1989 and 1990
\$45,000.00	on June 1 in each of the years 1991 and 1992

The bonds will bear interest from the date thereof at rates to be determined when said bonds are sold as hereinafter provided, and said interest will be first payable June 1, 1983, and thereafter semiannually on December 1 and June 1 in each year until paid. Both principal and interest on the bonds will be payable in lawful money of the United States of America at the office of the State Treasurer of Kansas in the City of Topeka, Kansas.

Bids will be received on bonds bearing such rates of interest as may be specified. Not more than four different rates shall be specified in any bid, and the same rate shall apply to all bonds of the same maturity. The repetition of a rate will not constitute one of said maximum number of rates. Interest rates shall be in a multiple of one-eighth (1/8) of one percent (1%) or one-twentieth (1/20) of one percent (1%). No interest rate shall exceed the Kansas legal rate. No bids of less than par and accrued interest will be considered. Bids

(continued)

involving the use of extra or supplemental coupons will not be considered. Bids for less than the entire issue of Bonds will not be considered.

Each bid shall specify the total interest costs to the City during the life of the Bond issue on the basis of such bid, the premium, if any, offered by the bidder, and the total net interest cost and the average annual net interest rate to the City on the basis of such bids. Each bidder must understand that the issuer will and may rely upon the representation as to the total net interest cost in awarding the bonds to the successful bidder.

The Bonds will constitute general obligations of the City, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable tangible property within the territorial limits of the City. The bond issue in the Notice of Bond Sale does not contain a callable clause.

Bonds are issued for the purpose of providing funds to pay the cost of certain street and sewage improvements in the City and the cost of acquiring fire-fighting equipment for the use of the City fire department.

The sealed bids for the Bonds shall be opened publicly and only at the time and place specified in this Notice; and the Bonds will be sold to the bidder whose proposal results in the lowest net interest cost to the City. The City reserves the right to reject any and/or all of the bids, and to waive any irregularities. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the City; and the net interest cost will be determined by deducting the amount of any premium paid from the aggregate amount of interest upon all of the Bonds from their date until their respective maturities.

The purchaser will be furnished with a complete certified Transcript of the Proceedings evidencing the authorization and issuance of the Bonds; and the usual closing proofs, which will include a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity.

The Bonds, duly printed, executed and registered, will be furnished by the City without cost to the successful bidder; and the Bonds will be sold subject to the legal opinion as to legality of issuance of Nichols and Wolfe-Chartered, Bond Counsel, of Topeka, Kansas, whose approving opinion will be furnished and all services respecting the issue will be paid for by the City.

Bonds will be delivered to the successful bidder on June 1, 1982, at the office of the Treasurer of the State of Kansas, 535 Kansas Avenue, Topeka, Kansas 66603. Payment for the Bonds shall be made in Federal funds or other funds which shall be available to the City on the same date as the delivery of the Bonds.

A good faith deposit in the form of a certified or cashier's check in the amount of two percent (2%) of the total par value of the Bonds being sold, payable to The City of Paola, Kansas, shall accompany each bid. In case any purchaser, whose bid is accepted, shall fail to carry out his contract, the said deposit shall be forfeited to the City as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

Mailed bids may be addressed to the undersigned City Clerk, City Hall, 19 East Peoria Street, P.O. Box 409, Paola, Kansas 66071, and marked "Proposal for the Purchase of General Obligation Bonds". Bids may also be delivered to the undersigned at the City Hall up to 4:00 o'clock p.m., C.S.T., on Tuesday, April 27, 1982.

The total assessed valuation of the taxable tangible property within the City for the year 1981 is \$11,050,963.00. The total General Obligation bonded indebtedness of said City as of the date of the Bonds being sold, including the Bonds being sold, is \$1,628,514.53.

DATED this 13th day of April, 1982.

JILL ANN HOLMES  
City Clerk

Doc. No. 000185

(Published in the KANSAS REGISTER, April 15, 1982.)

(NOTICE OF SALE)  
CITY OF ANDOVER  
BUTLER COUNTY, KANSAS  
NOTICE OF BOND SALE  
INTERNAL IMPROVEMENT BONDS  
(WATER AND STREET)  
SERIES 1982

Sealed bids will be received by the Governing Body in the city of Andover, Kansas, at the City Civic Center, 909 North Andover Road, Andover, Kansas 67002, Tuesday, April 27, 1982, at 7:30 p.m., at which time bids shall be publicly opened for the purchase of Internal Improvement Bonds of the city of Andover, Kansas, in the aggregate amount of \$230,473.04. Said bonds will be dated May 1, 1982, and will be in the denomination of \$5,000.00 each, except No. 1 \$5,473.04, and will become due as follows:

Number	Amount	Maturity
1	\$ 5,473.04	September 1, 1983
2-4	15,000.00	September 1, 1983
5-8	20,000.00	September 1, 1984
9-12	20,000.00	September 1, 1985
13-16	20,000.00	September 1, 1986
17-21	25,000.00	September 1, 1987
22-26	25,000.00	September 1, 1988
27-31	25,000.00	September 1, 1989
32-36	25,000.00	September 1, 1990
37-41	25,000.00	September 1, 1991
42-46	25,000.00	September 1, 1992

Said bonds are payable partly from Special assessments; however, the entire tangible property in said City can be levied on to pay said bonds. Said bonds are not callable.

Interest on said bonds will be payable semiannually on March 1 and September 1 in each year, beginning March 1, 1983. Both principal and interest will be payable at the office of the State Treasurer, Topeka, Kansas.

Said bonds are being issued for the purpose of Water and Street Improvements in said City.

*Delivery and Legal Opinion*

Said bonds, properly printed, are to be furnished by the City without cost to the successful bidder, and said

(continued)

bonds will be sold subject to the legal opinion of William P. Timmerman, Attorney and Bond Counsel, 400 North Woodlawn, Wichita, Kansas, phone (316) 685-7212, whose final, unqualified, approving opinion will be furnished and paid for by the City and delivered to the successful bidder as and when the bonds are delivered. The successful bidder will also be furnished with a certified transcript of proceedings evidencing the authorization and issuance of said bonds, and the usual closing proofs, including a non-litigation certificate.

Said bonds will be delivered to the successful bidder through any bank, on or about June 12, 1982 (expected delivery May 24, 1982), in Kansas City, Missouri; Topeka, Kansas; Wichita, Kansas; or Andover, Kansas, as may be specified by the bidder.

The assessed valuation of all tangible taxable property situated in the city of Andover, Butler County, Kansas, is \$7,809,991.00 for the year 1981.

The total bonded indebtedness of the City is as follows, to-wit:

G.O. Bonds, \$1,991,030.04, not including this issue.  
Notes: \$376,000.00, all of which will be picked up by this bond issue and from money on hand.

Utility Revenue Bonds: \$65,000.00

Warrants: None

This Issue: \$230,473.04

Overlapping debt: U.S.D. #385 \$3,520,000.00, of which 32.8% is applicable to Andover.

Population of Andover, Kansas 3010  
Third Class City

#### Coupon Rate

Proposals will be received on bonds bearing such rate or rates of interest as may be specified by the bidder; provided, however, that each rate specified shall apply to all bonds of the same maturity. Each rate specified shall be an even multiple of *one-tenth of one percent (1/10th of 1%)* OR *one-eighth of one percent (1/8th of 1%)*. There shall be no more than five (5) rates.

#### Conditions for Bidders

Bids shall be submitted on a contract form with the usual information thereon, and should be addressed to the City Clerk of Andover, Kansas, plainly marked, "Bond Bid." All bids must state the gross interest cost of the bid and the average annual interest rate and premium, if any, all certified by the bidder to be correct, and the City will be entitled to rely upon such representations. Each bid must be accompanied by a certified check, cashier's check or bank draft equal to two percent (2%) (\$4,609.46) of the amount of such bid, to the City of Andover, Kansas. In the event a bidder whose bid is accepted shall fail to carry out his contract of purchase, said deposit shall be retained by the City as liquidated damages. The checks of unsuccessful bidders will be returned. The awards will be made on the basis of the lowest net interest cost to the City. In the event an error should occur in computing the coupon rates, the net interest cost will govern.

The right is reserved to reject any or all bids.

ZACK WILKERSON, Mayor

ATTEST: PATRICIA M. STUENKEL  
City Clerk

(SEAL)

Doc. No. 000187

#### State of Kansas

### PERMANENT ADMINISTRATIVE REGULATIONS

#### NOTICE

The following are permanent administrative regulations which were adopted by a state agency pursuant to K.S.A. 1981 Supp. 77-415 *et seq.* ***These regulations are scheduled to become effective May 1, 1982, but are subject to legislative review and may be modified or revoked by the Kansas Legislature prior to May 1.*** Any such legislative action will be reported in the *Kansas Register*. The May 6, 1982 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

### SECURITIES COMMISSIONER

#### ADMINISTRATIVE REGULATIONS

#### Article 33.—LICENSING; BROKER-DEALERS, AGENTS

**81-33-2.** Broker-dealer, investment adviser and agents; fees. The fee for original registration of each broker-dealer and each investment adviser, other than an investment adviser who does not have custody of customers' moneys, securities, or other property shall be one hundred dollars (\$100) and the fee for renewal of each broker-dealer registration and each investment adviser shall be fifty dollars (\$50). The fee for original registration of an investment adviser who does not have custody of customers' moneys, securities, or other property and of an agent shall be eight dollars (\$8), and the fee for renewal of any investment adviser who does not have custody of customers' moneys, securities, or other property and of any agent's registration, shall be five dollars (\$5), which shall be payable with the application for renewal. (Authorized by K.S.A. 17-1270(b); implementing K.S.A. 17-1254; effective, E-82-24, Dec. 9, 1981; effective May 1, 1982.)

DWIGHT D. KEEN  
Securities Commissioner

Doc. No. 000165

## State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS****NOTICE**

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**CORPORATION COMMISSION****ADMINISTRATIVE REGULATIONS****Article 2.—OIL AND GAS CONSERVATION**

**82-2-101. Definitions.** (a) As used in these regulations: (1) "Acreage factor" means the quotient obtained by dividing the acreage attributable to a well by the basic acreage unit. The basic acreage unit shall be defined by the commission and promulgated in the basic proration order for the common source of supply in which the well is located.

(2) "Adjusted productivity of a well" means the product obtained after increasing or decreasing the productivity by 10 percent for each attributable acre greater or less than 10 acres, so that the productivity is revised in direct proportion that the area of the unit bears to 10 acres.

(3) "Allowable" means the amount of oil or gas authorized to be produced by order of the commission.

(4) "Allowable period" means the time in which allowable may be produced.

(5) "Assessment" means any charge against the parties involved in any hearing, application, investigation, or the enforcement of an order, and the assessment on natural gas and oil produced to pay the costs incident to the administration of the oil or gas conservation act.

(6) "Attributable acreage" means the acreage assigned to a well in accordance with the well spacing program adopted for each of the prorated fields.

(7) "Casing" means tubular wrought iron or steel pipe as is commonly used in the oil industry.

(8) "Casing-head gas" means gas produced that was in solution with oil in its original state in the reservoir.

(9) "Combination well" means a well productive of both oil and gas excluding casing-head gas from the same common source of supply.

(10) "Commingling" means the mixing of production from more than one common source of supply.

(11) "Commission" means the state corporation commission.

(12) "Common source of supply" means each geographic area or horizon definitely separated from any other area or horizon which contains, or appears to contain, a common accumulation of oil or gas or both.

(13) "Conservation division" means the division of the commission in charge of the administration of the

oil and gas conservation acts, well plugging, salt water disposal, and enhanced recovery.

(14) "Correlative rights" means that each owner or producer in a common source of supply is privileged to produce therefrom only in a manner or amount as that does not injure the reservoir to the detriment of others, take an undue proportion of the obtainable oil or gas, or cause undue drainage between developed leases.

(15) "Day" means a period of twenty-four (24) consecutive hours.

(16) "Deliverability" means the amount of natural gas, expressed in M.c.f. per day, which a well is capable of producing into a pipeline, while maintaining a back-pressure against the well head. The amount of back-pressure maintained and the test procedure shall be specified by the commission in the basic proration order for the common source of supply in which the well is located.

(17) "Discovery well" means the first well completed in a common source of supply which is not in communication with any other common source of supply.

(18) "Disposal well" means a well which injects, for purposes other than enhanced recovery, those fluids brought to the surface in connection with oil and natural gas production.

(19) "Division order" means a dated written statement, duly signed by the owners and delivered to the purchasers, certifying and guaranteeing the interests of ownership of the production, and directing payment according to those interests.

(20) "Enhanced recovery" means any process involving the injection fluids or gas into a pool to increase the recovery of oil or gas.

(21) "Enhanced recovery injection well" means a well which injects fluids or gas to increase the recovery of hydrocarbons.

(22) "Field" means a geographic area containing one or more pools.

(23) "First purchaser" means the person holding the division order and issuing checks to pay any working or royalty interest.

(24) "Fluid" means a material or substance which flows or moves in a semi-solid, liquid, sludge, gas, or any other form or state.

(25) "Gas" means the gas obtained from gas or combination wells regardless of its chemical analysis.

(26) "Gas" (cubic foot) means the volume of gas contained in one (1) cubic foot of space at a standard pressure base and at a standard temperature base. The standard pressure base shall be 14.65 pounds per square inch absolute, and the standard temperature base shall be sixty (60) degrees Fahrenheit. Whenever the conditions of pressure and temperature differ from the above standard, conversion of the volume from these conditions to the standard conditions shall be made in accordance with the ideal gas laws corrected for deviation.

(27) "Gas-oil ratio" means the ratio of gas produced in cubic feet to one barrel of oil produced during the concurrent period.

(28) "Gas" (sour) means any natural gas containing more than one and one half (1½) grains of hydrogen sulphide per one hundred cubic feet or more than thirty (30) grains of total sulphur per one hundred

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(100) cubic feet, or gas which in its natural state is found by the commission to be unfit for use in generating electricity or fuel for domestic purposes.

(29) "Illegal production" means any production in violation of the statutes, rules, regulations or orders of the commission.

(30) "Minimum well" means any oil well which has a productivity of twenty-five (25) barrels or less per day.

(31) "Mousehole" means the service hole drilled at a slight angle and normally about thirty (30) feet deep on some wells drilled by rotary tools.

(32) "Mud-laden fluid" means any approved mixture of water and clay or other material as the term is commonly used in the industry which will effectively seal a formation to which it is applied.

(33) "Oil" means crude oil or petroleum and shall include all waste oil which is removed from the lease.

(34) "Oil, pipeline oil," means oil free from water and basic sediment to the degree that it is acceptable for pipeline transportation and refinery use.

(35) "Oil well" means any well producing oil.

(36) "Open flow" means the volume of gas which a gas well is capable of producing at the wellhead during a period of twenty four (24) hours against atmospheric pressure, computed according to standard procedure approved by the commission.

(37) "Operator" means any person who, is in charge of the development of a lease, or the operation of a producing well.

(38) "Overage or overproduction" means the oil or gas produced in excess of the allowable.

(39) "Person" means any natural person, corporation, association, partnership governmental or political subdivision, receiver, trustee, guardian, executor, administrator, a fiduciary or any other legal entity.

(40) "Pipeline" means any pipes above or below the ground used or to be used for the transportation of oil, gas liquids, or gases.

(41) "Pool" means a common source of supply as officially named.

(42) "Producer" means any person who owns, in whole or in part, a well capable of producing oil or gas or both.

(43) "Production" means produced oil, gas condensate or casing-head gas.

(44) "Productivity of a well" means the daily capacity of a well to produce oil or gas.

(45) "Productivity of a pool" means the sum of the productivities of the wells completed in the pool.

(46) "Proration" means the regulation of the amount of allowed production to prevent waste, undue drainage between developed leases, unratable taking or unreasonable discrimination as between operators, producers and royalty owners, within a common source of supply, in favor of any one pool as against any other pool in this state.

(47) "Purchaser" means any person who purchases production from a well, lease or common source of supply.

(48) "Rathole" means the service hole drilled at a slight angle and normally about forty (40) feet deep on most wells drilled by rotary tools.

(49) "Reasonable market demand" means the amount of crude petroleum or natural gas which must be produced to satisfy current rates of consumption.

(50) "Service well" means a well drilled for:

(A) The injection of fluids in enhanced recovery projects;

(B) The supply of salt water for enhanced recovery projects; or

(C) The disposal of salt water.

(51) "Shortage" means the amount by which the oil legally produced and sold or removed from the premises is less than the allowable.

(52) "Storage oil" means produced oil confined in tanks, reservoirs or containers.

(53) "Storage oil-lease" means produced oil in tanks, reservoirs or containers on the lease where it was produced.

(54) "Storage well" means a well used to inject hydrocarbons for storage purposes which are liquid at standard temperature and pressure. (60°F and 0 psia)

(55) "Stratigraphic hole" means a hole of normally small diameter drilled through subsurface strata for exploratory purposes, with no intent to produce hydrocarbons through the hole being drilled.

(56) "Undue drainage" means the uncompensated migration of either oil or gas between developed leases within the same common source of supply caused by the unratable production of some well or wells located there.

(57) "Waste oil" means any tank bottom, basic sediment, cut oil, reclaimed oil from pits, ponds or streams, dead oil, emulsions, or other types of oil not defined as pipeline oil.

(58) "Well completion, (oil)" shall occur when the first new oil is produced through permanent wellhead equipment into lease tanks from the producing interval after the production casing has been run.

(59) "Well completion, (gas)" shall occur when the well is capable of producing gas through permanent wellhead equipment from the producing zone after the production casing has been run.

(60) "Well completion, (dry hole)" shall occur when all provisions of plugging are complied with as set out in these regulations.

(61) "Wellhead working pressure" means the static pressure in the annulus while flowing through the tubing or static pressure in the tubing while flowing through the annulus, except in cases where the casing-head is not in open communication with the producing formation because of the presence of a packer or other obstruction in the annular space between casing and tubing. In these cases, the wellhead working pressure shall be determined by adjusting the observed tubing pressure for the effect of friction caused by flow through the tubing, or by using a bottom-hole pressure bomb and correcting back to wellhead conditions.

(62) "Well log" means the written record progressively describing the strata, water, oil or gas encountered in drilling a well with additional information about gas volumes, pressures, rate of fill-up, water depths, caving strata, casing record, and other information usually recorded in the normal process of drilling.

(63) "Well plugging": See rules and regulations under well plugging act.

(b) All terms not defined in this definitional section shall be interpreted to be consistent with its common use in the industry. (Authorized by and implementing

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K.S.A. 1981 Supp. 55-128, 55-130, 55-134, 55-136, 55-137, 55-602, 55-604, 55-704, 55-901; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-102.** (Authorized by K.S.A. 55-601, 55-602; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked May 1, 1982.)

**82-2-104. Classification of wells; determining and naming common sources of supply; nomenclature committee.** Wells shall be classified as to the common sources of supply from which they produce. Common sources of supply shall be determined and named by the commission after considering the recommendations of the conservation division and the nomenclature committee of the Kansas geological society. In naming of common sources of supply, preference shall be given to common usage and geographic names. Separate common sources of supply within the same field shall preferably be named according to the producing formation. The commission may redetermine a common source of supply whenever necessary. (Authorized by K.S.A. 55-604; implementing, K.S.A. 55-603; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-105. Productivities; methods of determining.** The productivity of all wells in the several prorated pools in this state, shall be determined in accordance with the following rules: (a) *Type of test.* Productivities shall be determined by physical test. This physical test shall be taken of the well in the manner in which it is normally produced.

(b) *Supervision.* All tests shall be taken under the supervision of the commission.

(c) *Notice and witnesses.* The operator of a well on which a test is to be taken shall notify the commission's agent and the offset operators of the producing leases at least twelve (12) hours before the time of a test. Offset operators may witness the test.

(d) *Temporary productivity of a well.* Within thirty (30) days after the completion of a well, an affidavit shall be filed with the commission to establish temporary productivity of a well. This temporary productivity shall be effective for forty-five (45) days or until an initial test is taken. The well shall then be assigned the minimum allowable of twenty-five (25) barrels per day from the date upon which it became capable of that production or until the taking of a permanent test or for a period of not more than forty-five (45) days. If, upon taking the permanent test, the well is found to be incapable of producing twenty-five (25) barrels of oil per day, the allowable shall be set at the capacity of the well.

(e) *Production considered.* Only pipeline oil produced during the test will be considered in determining productivities. (Authorized by and implementing, K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1979; amended May 1, 1982.)

**82-2-106. Productivities; when to be taken.** (a) *New wells.* Wells shall not be given an allowable until a productivity test is taken as provided by these rules and regulations.

(b) *Pool tests.* Pool tests shall be taken at twelve (12) month intervals. Whenever, due to some act or omis-

sion of the operator, more than fifteen (15) months have elapsed since the last productivity test the well shall not be entitled to an allowable until tested. A well tested less than three (3) months before the date of a scheduled pool test shall not be required to take the pool test. Operators shall be notified ten (10) days before the starting of a pool test.

(c) *Good cause shown.* The commission may on its own motion for good cause shown, direct the taking of a productivity test of any well or any pool. (Authorized by and implementing K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1979; amended May 1, 1982.)

**82-2-107.** (Authorized by K.S.A. 55-604, 55-605; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked May 1, 1982.)

**82-2-109. State and pool allowable and proration.**

(a) *Oil market demand.* The commission may hold a monthly hearing to determine the amount of crude petroleum which, without causing waste, can be produced daily during the next succeeding proration period, in any prorated pool located in Kansas. The commission shall also determine the reasonable market demand for statewide production and shall then fix the total state allowed production and allocate it among the prorated pools, leases, and wells in accordance with the standards established by article 6, chapter 55, K.S.A. Any crude oil, including waste oil, which is removed from a lease shall be charged against the allowable established for that lease, except in cases where permission is granted to use waste oil for oiling roads leading to the lease.

(b) *Statewide allowable.* The allowables for non-prorated pools shall be set by the following range depth schedule:

Pool depth Range	Maximum allowable bbls/well/day
0-4,000	25
4,000-4,500	31
4,500-5,000	37
5,000-5,500	43
5,500-6,000	48
6,000-6,500	52
6,500-7,000	56
7,000-plus	60

(c) *Discovery oil allowable.* An oil discovery allowable equal to one and one-half (1½) times the current daily allowable assigned to a similar well, either set out by these rules or the regular allowable as established by a special pool basic proration order, may be granted. These discovery allowables shall continue as to wells in the pool for a period of eighteen (18) months from the date of the discovery allowable well for that pool, or until development has connected the pool with another known common source of supply producing from the same geological formation (reservoir), whichever first occurs: *However*, the following additional provisions shall apply:

(1) A newly discovered pool shall not be recognized as one until after the filing of an application and notice, and a hearing is held before the corporation commission where an affirmative determination is made by the commission. Information in support of the application shall be in conformance with that re-

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quired in paragraph (d) affidavit for discovery allowable. Before additional wells in the newly discovered pool may be granted a discovery allowable, an affidavit shall be filed with the conservation division of the commission in compliance with the affidavit for discovery allowable. If the affidavit for subsequently developed wells entitled to the discovery oil allowable does not clearly show to the satisfaction of the conservation division that the subject well is producing from the same common source of supply (reservoir) as the discovery well, the matter shall be properly noticed and set for hearing before the commission. If a protest is filed with the commission by an interested party within ten (10) days from the date the affidavit is mailed under provisions of this rule, then the matter will be properly noticed and set for hearing before the commission.

(2) Over and under production of the discovery oil allowable shall be subject to the same restriction and procedures as followed for standard oil allowables.

(3) Discovery allowables are subject to adjustment for gas-oil ratio provisions in any combination pool.

(4) Discovery allowables are subject to temporary reduction consistent with market demand determination. If reduction is required, the commission may extend the time for production of the discovery allowable.

(5) Discovery allowables may be obtained for each newly discovered pool in the same well bore, provided that the well is completed as authorized by the commission so that production from a newly discovered pool is not commingled with production from any other pool in the well bore.

For the purpose of this rule, the discovery date for the pool shall be the date that the initial test is taken on the discovery well.

(d) *Affidavit for discovery allowable.* An operator seeking to obtain a discovery allowable, shall file an affidavit and supporting information with the conservation division, after the completion of the well. The affidavit shall show:

- (1) Exact location of the well (legal description);
- (2) Lease name;
- (3) Geological name of the producing formation;
- (4) Top and bottom depths of the producing formation;
- (5) Results of a state supervised production test, showing volumes of oil, gas and water;
- (6) Any other pertinent data such as bottom hole pressures, core data, which may help determine the validity of the request;
- (7) Date of first production;
- (8) Date of first oil sales and the purchaser to whom delivered;
- (9) The names and addresses of each operator or lessee of record within one-half (½) mile of the lease upon which the subject well is located together with a statement of the date a copy of this affidavit was mailed to each.
- (10) An electric log or logs of the well in question, if taken;
- (11) A geological log or report of the well in question, giving full detail of the formations penetrated, drill stem tests, casing and cementing, perforations if any, and well stimulation procedures;
- (12) A map of the area surrounding the subject well,

showing the location of all wells whether producing or dry holes, the total depth of these wells, the name of the producing formation, and the top and bottom of the formation. The map shall cover an area sufficient to show the producing formation in the subject well is not in communication with any other known common source of supply (reservoir), but the map shall never cover an area with a radius of less than one and one-half (1½) miles with the subject well as the center of it;

(13) A geological contour map on a geological marker that will reflect the expected attitude of the formation from which the well is producing; and

(14) The affidavit shall include the following statement: "It is the opinion of the operator that this well will not cause waste if it is granted a discovery allowable". (Authorized by and implementing, K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1979; amended May 1, 1982.)

**82-2-110. Surface commingling of production.** The production from one common source of supply may be commingled on the surface with that from another common source of supply before delivery to a purchaser; except that the commission may prohibit surface commingling whenever this action shall be deemed advisable. (Authorized by and implementing, K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1981.)

**82-2-114. Illegal production and transportation.** Every truck, tank wagon and other vehicle transporting crude oil, pit oil, waste oil, residue oil or any of its refined products shall have the name of its owner and the number of the truck, tank wagon or vehicle plainly stenciled on each side. All vendors of oil moved by trucks transporting any kinds of oil mentioned, except refined products of petroleum, shall report on the movement of the oil on forms prescribed by the commission. Every operator or driver shall possess a signed copy of the report or ticket showing the name of truck owner, name of driver, truck number, truck license number, number of barrels of oil transported, source from which oil was obtained, signature of the oil vendor or his duly authorized agent, a statement whether the oil is crude oil, waste oil, residue oil, tank bottom oil, or pit oil, name of vendee and point of delivery. (Authorized by K.S.A. Supp. 55-512, 55-604; implementing, K.S.A. 55-512; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-115. Reports and permits.** The conservation division shall have the authority to require verification of any information necessary to administer these rules and regulations or any commission order. (Authorized by and implementing, K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-116. Assessment.** An oil conservation assessment, to pay the conservation division expenses and oil and gas conservation administration costs not otherwise provided for, shall be made as follows: (a) A charge as established by the commission on each barrel of crude oil or petroleum marketed or used each month shall be assessed to each producer. The charge and assessment shall only apply to the first purchase of oil from the producer.

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(b) The first purchaser of the production, shall deduct the assessment per barrel of oil marketed or used from the lease each month before paying for production, and shall remit these amounts when the purchasers make their regular oil payments.

(c) The remittances shall be made each month in a single check. The purchaser shall account for the deductions under this order on the regular payment statements to producers and royalty owners or other interested persons. (Authorized by K.S.A. 55-604; implementing K.S.A. 55-609 and 55-131; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1975; amended May 1, 1978; amended May 1, 1982.)

**82-2-117. Proration orders; costs.** A charge as established by the commission shall be made for the monthly proration reports except to persons whose assessment equals or exceeds an amount set by the commission and to government and state agencies, oil and gas associations and publications or other agencies approved by the commission. Proof of exemption from this charge shall be received by the conservation division before these reports will be mailed. (Authorized by K.S.A. 55-604; implementing K.S.A. 55-609 and 55-131; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-119. Well cementing.** The use of cement in seating casing or sealing off producing formations or fresh and usable water formations shall be required. (Authorized by K.S.A. 55-602; implementing, K.S.A. 55-118; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-120. Casing, leaky or defective.** If defective casing or faulty cementing exists in any well which permits the infiltration of water into the producing formation and causes damage to formations capable of producing oil, gas, or fresh water, corrective procedures shall be undertaken upon the written direction of the conservation division. (Authorized by K.S.A. 55-602; implementing, K.S.A. 55-115; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-121. Pollution, prevention.** Every person, who drills a well or test hole, for any purpose, that penetrates formations containing oil, gas, fresh water, mineralized water, or valuable minerals, shall case or seal off these formations to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by this migration. The effectiveness of the casing or sealing off shall be tested in a manner prescribed or approved by the commission, or its authorized representatives. (Authorized by K.S.A. 55-602; implementing, K.S.A. 55-115; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-123. Cementing-in surface or drive pipe.** (a) Surface pipe or casing. The depth of the required surface pipe or casing shall be determined in the following manner:

(1) The surface pipe or casing shall be set to a depth not less than fifty (50) feet below the bottom of the formation supplying water to the deepest water well within a radius of one (1) mile from the proposed drill site, or the deepest well supplying water to a municipality within three (3) miles of the drill site, whichever is the deeper.

(2) At all drill sites where tertiary and younger deposits (includes so-called unconsolidated deposits) are present, surface pipe shall be set to a depth of not less than twenty five (25) feet below the base of these deposits.

(3) The operator shall set not less than fifty (50) feet of surface pipe in any well. The owner or operator shall not commence the drilling operation until after he or she has received from the commission notice of the amount of surface pipe or casing necessary to be set. Required depths shall be established from time to time by joint recommendations of the state board of health, state geological survey, and Kansas water office, designated as table I, and maintained in the commission's files.

(b) *Protection of usable water.* If the depths of usable water required by said table I are greater than the amount of surface pipe set, one of the following alternates shall be used: Alternate 1. Surface pipe may be set and cemented according to the requirements shown by table I. Alternate 2. When a well is drilled which becomes a producer of oil or gas, additional pipe or the production string shall be cemented in from the base of the usable water at a depth specified in table I to the surface of the ground and a level to the surface of the ground maintained.

(1) When a well is drilled which becomes a producer of oil or gas, additional pipe or the production string shall be cemented-in from the base of the usable water at the depth specified in table I to the surface of the ground and the level to the surface of the ground maintained.

(2) When fresh and usable water can mix because of an existing artesian head, additional pipe of the production string shall be cemented-in from a point fifty (50) feet below the usable water formation to the surface of the ground.

(c) *Depth factor.*

(1) Wells more than two thousand five hundred (2,500) feet deep. When surface pipe is set for a well intended to be more than two thousand five hundred (2,500) feet in depth, the surface pipe or casing shall be cemented in place from top to bottom.

(2) Wells less than two thousand five hundred (2,500) feet deep. When surface pipe is set for a well which is intended to be less than two thousand five hundred (2,500) feet in depth, it shall be cemented in place from top to bottom.

(d) *Abandonment and plugging.* When wells are less than two thousand five hundred (2,500) feet in depth, the operator may remove the surface pipe or casing provided that the well shall be plugged in accordance with the rules relative to plugging.

(e) *Allowing cement to set around surface pipe.* Unless otherwise provided by specific order of the commission, the cemented casing string shall stand under pressure until the cement has reached a compressive strength of three hundred (300) pounds per square inch. Further operation shall not be commenced until the cement has been in place for at least eight (8) hours.

(f) *Affidavit.* Operators shall file an affidavit setting out the method of cementing used on a well with the commission on the provided form. Depths above which have usable and fresh water shall be protected by recommended methods for each county are on file

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with the state corporation commission. (Authorized by K.S.A. 55-136, 55-137; implementing K.S.A. 55-138; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-125. Preservation of well samples and logs.**

(a) Every person, firm, association, or corporation drilling or responsible for drilling holes for the purpose of discovery or production of oil or gas, excluding seismic "shotholes" and "coreholes", shall preserve and have delivered at his expense (prepaid), samples, if requested, to the Kansas geological survey, sample library, Wichita, Kansas and all other information to the conservation division, Wichita, Kansas.

(b) Formation samples (drill cuttings) normally saved in drilling operations shall be retained by the operator. Upon request of the Kansas geological survey, these samples shall be washed, cut into splits (sets) and one set placed in sample envelopes ready for repository when delivered to the sample library. Notification that samples are required shall be made either by notice appended to or on a copy of the notice of intention to drill returned to the operator by the conservation division or the Kansas geological survey. Delivery of the processed samples shall be made within ninety (90) days of the completion of drilling operations. The survey may request shallow samples from portions of the hole that may not normally be saved in drilling operations. The repository (sample library) shall accept all washed and cut samples whether or not requested.

(c) A copy of electric logs, radioactivity logs, and similar wireline logs or surveys run by the operators on all boreholes, excluding seismic, "coreholes," and logs run to obtain geo-physical data, shall be delivered to the conservation division, Wichita, Kansas within thirty (30) days following the running of these logs or surveys. The conservation division shall deposit information with the Kansas geological survey.

(d) Upon receipt of a written request made to the conservation division, the request to be submitted simultaneously with any or all samples or information filed as required in sections (a), (b) and (c). Such information or samples shall be held in confidential custody by the survey for an initial period of one (1) year from the required date of filing unless release of samples or information is approved in writing to the conservation division before the expiration of the one (1) year period. The period of confidential custody may be extended for one (1) additional year by written notice to the conservation division if notice is received at least thirty (30) days before the expiration of the initial one (1) year period.

(e) It shall be the duty of companies performing all wire line services within the state of Kansas to furnish each month, to the conservation division, Wichita, Kansas, a list of all holes serviced.

(f) Exceptions to the provisions of this rule may be granted whenever the commission shall find that the granting of an exception is justified because of one of the following:

- (1) Compliance with this order will create an economic hardship; or
- (2) The length of the period of confidential custody is not sufficient to satisfy the needs of the developing operator. Exceptions shall be requested by affidavit

setting forth supporting facts. If the requested exception is not fully supported, the commission shall set the matter for hearing after giving notice. (Authorized by and implementing K.S.A. 55-604, 55-704 and K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-126. Oil drilling and production unit.** (a) Standard drilling unit. Three hundred thirty (330) feet shall be the minimum distance for standard development on a pattern of one (1) oil well to each ten (10) acres.

(b) Acreage-attribution unit. Any oil well drilled nearer than three hundred thirty (330) feet to any lease or unit boundary line, shall have its attributable acreage determined by the establishment of an acreage-attribution unit with its width defined as being twice the distance from the well to the nearest lease or unit boundary line, whichever is closer to the well, and the length of the unit shall be the same as the width.

(c) Acreage attributable. When the acreage attributable to any well is less than ten (10) acres, the twenty-five (25) barrels per day minimum per well allowable may be reduced in the proportion that the acreage attributable to the well bears to ten (10) acres. A bonus allowable shall not be granted except on order of the commission. (Authorized by and implementing, K.S.A. 55-604; effective, May 1, 1982.)

**82-2-127. Application for oil well spacing; contents.** (a) Any interested party shall be permitted to file an application for well spacing and orderly development. This application shall set forth the following:

(1) The location, depth, and producing formation of existing productive well(s) in the area sought to be spaced;

(2) A description of the area sought to be spaced, with an affirmation that all of that area is reasonably expected to be productive from the subject formation;

(3) The proposed well location restrictions;

(4) The proposed configuration of producing units for acreage attribution purposes;

(5) The names and addresses of all lessees of record in the area sought to be spaced;

(6) The names and addresses of all owners of record of the minerals in unleased acreage within the area sought to be spaced,

(7) The names and addresses, as shown by the applicant's books and records of all persons owning the royalty or leasehold interest in acreage sought to be spaced which is operated by the applicant, or on which the applicant has a lease or an interest in the lease; and

(8) If a proration formula is sought, the factors proposed to be utilized in the allocation of production shall be set forth with specificity.

(b) An original and three copies of the application shall be filed with the secretary of the commission in Topeka, Kansas. An additional copy of the application shall be sent to the conservation division of the commission in Wichita, Kansas. (Authorized by K.S.A. 55-604; implementing, K.S.A. 55-603; effective, May 1, 1982.)

**82-2-128. Penalties for violations of spacing orders.** (a) Any oil well drilled or being drilled in violation of an order or rule of the commission, when

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drilling commences after the effective date of an order or rule, shall be deemed to be an unlawful location and shall be presumed to be in violation of correlative rights and constitute the commission of waste. The commission may, upon a duly filed complaint or upon its own action, order drilling operations to cease or the well to be shut-in and to remain shut-in until the commission is satisfied, after hearing on an order to show cause to the violating operator or upon an application for an exception filed by the violating operator, the drilling the well was necessary to protect correlative rights or prevent waste. A hearing shall be held after notice to all interested parties as provided by these rules.

(b) If the commission determines that good cause has not been shown or that an exception should be denied, the commission may order the well be permanently capped or plugged and abandoned in accordance with the rules of the commission, or it may permit production at a reduced rate as to ensure protection of correlative rights and the prevention of waste. (Authorized by K.S.A. 55-604; implementing, K.S.A. 55-603; effective, May 1, 1982.)

**82-2-129. Oil well location.** (a) A well shall not be drilled nearer than three hundred thirty (330) feet to any lease or unit boundary line, except the commission may, after notice and hearing, grant exceptions to permit drilling within shorter distances when it determines that these exceptions are necessary either to prevent waste or to protect correlative rights.

(b) When exception to this rule is desired, application shall be made to the commission. The application shall be accompanied by a plat drawn to the scale of one (1) inch equalling one thousand (1,000) feet, accurately showing the property on which the well is sought to be drilled and accurately showing to scale all other completed, drilling, or permitted wells on the property and accurately showing to scale all adjoining surrounding properties and wells.

(c) An oil well location exception for drilling, deepening, or additional completion, recompletion, or re-entry may be issued by an administrative order under the following conditions:

(1) After thirty (30) days notice has been given to all offset operators and unleased mineral owners and a protest is not made to the application; or

(2) When an application is accompanied by waivers of objection signed by all offsetting operators and unleased mineral owners.

(d) All well location exceptions issued by the commission shall expire six (6) months from the effective date, unless either drilling operations are commenced or an application for a six-month extension of the permit is approved by the commission. Application for a six-month extension shall be accompanied by a statement of the applicant setting out the reasons the extension is necessary. Only one six-month extension shall be granted by the commission. Should a well location exception permit be allowed to expire, a renewal shall not be granted unless a new application is filed, notice issued, a hearing held and proof made as in an original well location exception application.

(e) Wells drilled nearer than three hundred thirty (330) feet to any lease or unit boundary line without obtaining an exception from the commission shall be prohibited from producing either oil or gas.

(f) Whenever permission is granted to drill a well at a location other than specified in these rules, the allowable or production or both may be adjusted for the protection of the correlative rights of all persons entitled to share in the common source of supply.

(g) This rule shall not apply to any counties or specific areas that are exempted by the commission after notice and hearing. (Authorized by K.S.A. 604; implementing, K.S.A. 55-603; effective, May 1, 1982.)

**82-2-130. Penalties for violating proration orders.**

(a) The production of oil in violation of the provisions of a basic proration order or otherwise in violation of the statutes or the rules and regulations shall be deemed unlawful and shall be presumed to be in violation of correlative rights and the commission of waste. The commission may, upon receipt of a duly filed complaint or upon its own action, order a well to be shut-in and to remain shut-in until the unlawful production is made up or the commission is satisfied by application for an exception by the violating operator, that the unlawful production was necessary to protect correlative rights or prevent waste, after notice and hearing, with this notice to be given to all parties entitled to notice, as provided by these rules.

(b) If the commission determines that it is necessary and required, it may order a well to be sealed or padlocked for any period of time it may determine, or it may permit production at a reduced rate to ensure the protection of correlative rights and the prevention of waste. (Authorized by K.S.A. 55-604; implementing, K.S.A. 55-603; effective, May 1, 1982.)

**82-2-200.** (Authorized by K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, May 1, 1982.)

**82-2-201.** (Authorized by K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective, Jan. 1, 1973; revoked, May 1, 1982.)

**82-2-204. Deliverability tests.** (a) Deliverability tests on all gas wells in prorated fields shall be taken in accordance with the basic proration order applying to each of the several prorated gas pools, after notice to the conservation division. Tests shall be under the supervision of the conservation divisions whether present or not.

(b) Deliverability tests may be witnessed by a representative of any producer in the field, and the producers may request and shall be notified, by the owner of the well on which a test is to be taken, of the time the test will commence. (Authorized by and implementing, K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan 1, 1973; amended May 1, 1982.)

**82-2-210. Gas to be metered.** (a) *Well, lease, or unitized property.* All gas when produced or sold shall be metered with an approved meter of sufficient capacity. Gas may be metered from a lease or unitized property as a whole if it is shown that ratable taking can be maintained. Meters shall not be required for gas produced and used on the lease for development purposes and lease operations or for use in primary dwellings.

(b) *Meter charts and records.* Purchasers shall keep meter charts or records of gas purchased in a perma-

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ment file for a period of two (2) years, and this information shall be made available to the commission.

(c) *By-passes.* By-passes shall not be connected around meters in a manner that will permit the improper taking of gas. (Authorized by and implementing, K.S.A. 1981 Supp. 55-703; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-211. Reports from gas purchasers.** All purchasers of gas shall make a monthly report to the conservation division in a manner prescribed by the commission. (Authorized by and implementing, K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-217. Proration orders; costs.** The monthly gas proration orders and reports shall be made available to all parties at charges set by the commission. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-711; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-218. Rules of procedure for determination of open flow of a gas well.** In the absence of special field rules, the open flow capacity of a gas well shall be determined by flowing the well into a pipeline for a period of twenty four (24) to seventy two (72) hours, as required to attain stabilization (one point stabilized flow test), through approved metering equipment with the rate of flow recorded on a standard orifice meter chart and extrapolating (either graphically or mathematically) the rate of flow at the end of the period to atmospheric pressure using the characteristic well slope as determined from a multi-point back-pressure test.

(a) *Multi-point back-pressure test.* A multi-point back-pressure test shall be taken for determination of characteristic well slope, "n," as determined from the equation:

$$Q = C(P_c^2 - P_w^2)^n$$

where:

Q = rate of flow, MCF per day at 14.65 pounds per absolute and 60° F.

C = performance coefficient of the well.

P<sub>c</sub> = wellhead shut-in pressure, pounds per square inch absolute (casing or tubing, whichever is higher).

P<sub>w</sub> = static wellhead working pressure, pounds per square inch absolute, at the termination of each flow period, (casing if flowing through tubing, tubing if flowing through casing, or the wellhead flowing pressure corrected for friction if the pressure cannot be measured on a static column). All squared pressures in thousands.

n = a numerical exponent characteristic of the particular well referred to as "slope."

Only one (1) acceptable test shall be taken during the life of the well unless permission to retest is granted by the commission for good cause shown. The procedures for taking a multi-point back-pressure test are as follows.

(1) The well shall be shut-in for seventy two (72) hours plus or minus six (6) hours and the shut-in pressure taken. This shut-in pressure shall be considered stabilized unless readings taken with commission approved equipment at a shorter period are higher, in

which event the highest recorded pressure is to be used as the shut-in pressure. In the event liquid accumulation in the wellbore during the shut-in period appreciably affects the surface pressure, appropriate correction of the surface pressure shall be made in order to account for the pressure due to the liquid column. This correction shall be made in the manner shown in examples or at the option of the operator by using a bottomhole pressure bomb and correcting back to wellhead conditions.

(2) If the well being tested has pipeline connection, it shall be flowed for at least twenty four (24) hours before the shut-in period at a rate high enough to clear the well of liquids.

(3) A series of at least four flow tests shall be taken. The tests shall be run in the increasing flow rate sequence except in the case of high liquid ratio wells where a decreasing flow rate sequence may be used after the increasing sequence method will not give point alignment. When the decreasing sequence method is used, a statement giving the reasons why the use of this method is necessary, together with a copy of the data taken on increasing sequence, shall be furnished the commission.

(4) Each flow test shall extend for a maximum period of two hours, unless the wellhead working pressure does not decline more than 0.1 percent of the wellhead shut-in pressure during any fifteen (15) minute period prior to the end of the two-hour flow period. In this case the pressure may be recorded and the next flow test started. All subsequent flow periods shall be of the same duration.

(5) When the back pressure curve cannot be drawn through at least three (3) of the plotted points, the well shall be retested. If upon retest a curve cannot be drawn through at least three (3) of the plotted points, an average curve shall be drawn through the points of the test provided that the slope of the curve will not be more than 1.0 nor less than 0.5.

(6) If the curve drawn through at least three (3) points of the back pressure test has a slope greater than 1.0 or less than 0.5, the well should be retested. If upon retest the slope of the curve is greater than 1.0, a curve with a slope of 1.0 shall be drawn through the data point corresponding to the highest rate of flow. If upon retest the slope of the curve is less than 0.5, a curve with a slope of 0.5 shall be drawn through the data point corresponding to the lowest rate of flow.

(7) All tests shall be subject to review and approval by a representative of the state corporation commission.

(8) The lowest rate of flow on the test shall be at a rate high enough to keep the well clear of liquids.

(9) If possible, the working wellhead pressure at the lowest rate of flow should be drawn down at least five (5) percent of the well's shut-in pressure and, if possible, twenty-five (25) percent of the well's shut-in pressure at the highest rate of flow. One criterion as to the acceptability of the test shall be a good spread of data points. If data cannot be obtained in accordance with the foregoing provisions an explanation shall be furnished the commission.

(10) An orifice meter or a critical flow prover in good operating condition are the only acceptable metering devices.

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(11) Gas shall not be vented except where absolutely necessary.

(12) Correction for the compressibility of flowing gas shall be made in accordance with approved commission methods.

(13) Where the static wellhead working pressure reading cannot be obtained due to packer or dual completion the pressure shall be calculated by using approved tables.

(14) If a satisfactory test cannot be obtained on small wells, the commission may grant an exception to the foregoing procedure and assign a slope of 0.85.

(15) Upon completion of the test, all the calculations shall be shown on an approved form and shall be accompanied by a back pressure curve neatly plotted on equal scale log-log paper of at least 3-inch cycles.

**(b) One-point stabilized flow test.**

(1) An initial one-point stabilized flow test shall be made within thirty (30) days from the date of first production of gas into a pipeline. Subsequent tests shall be taken at least once each year on each connected well. Additional tests shall be taken on approval of an application of the operator or as ordered by the commission.

(2) Immediately following the taking of the shut-in wellhead pressure, the well shall be opened into the pipeline and gas produced for the subsequent twenty-four (24) to seventy-two (72) hours at the test rate as required to reach stabilization, during which time the working pressure at the wellhead shall be maintained as nearly as possible at eighty-five (85) percent of the wellhead shut-in pressure, expressed in pounds per square inch gauge, or as closely to it as operating conditions in the field will permit.

(3) The wellhead working pressure shall never be more than ninety-five (95) percent or less than seventy-five (75) percent of the well-head shut-in pressure of the well being tested unless, in the judgment of the commission's representative, it is impractical to maintain the pressure within the above described limits, in which case the well shall be produced at maximum capacity through either the tubing or the annulus, whichever will give the greater drawdown.

(4) The open flow shall be calculated by use of the formula hereinafter set forth. Flow shall be measured by an approved meter throughout the test period, and the wellhead and meter pressures shall be measured by commission approved gauges at the close of the test period. The rate at which the well is producing at the end of the flow period shall be considered the stabilized producing rate corresponding to the well-head working pressure existing at that time, provided the rate is not greater than the average producing rate for the entire flow period. The observed stabilized producing rate shall be converted to open flow by use of the following formula:

$$OF = R \text{ times } \frac{P_c^2 - P_a^2}{P_c^2 - P_w^2} n$$

where:

OF = Open flow, MCF/D.

R = Stabilized producing rate, MCF per day at 14.65 pounds per square inch absolute and 60° F.

P<sub>a</sub> = Atmospheric pressure, pounds per square inch absolute.

P<sub>c</sub> = Wellhead shut-in pressure of the well, pounds per square inch absolute.

P<sub>w</sub> = Stabilized wellhead working pressure at rate R, pounds per square inch absolute.

n = Characteristic well slope as determined by the multi-point back-pressure test.

(5) Shut-in wellhead pressure shall be measured after the well has been shut in for approximately seventy-two (72) hours. The well shall never be shut in for less than sixty-six (66) hours nor more than seventy-eight (78) hours at the time the shut-in pressure is taken. If the representative of the commission should, for any reason, believe that the shut-in pressure taken upon a well is incorrect, the representative may require that such well be blown to clean fluids from the well bore, or take any other that may be necessary to get a true pressure upon the well. If more than one (1) shut-in pressure is taken upon a well during the test period, the highest shut-in pressure obtained shall be used in calculating the open flow of the well. (Authorized by K.S.A. 55-704; implementing K.S.A. 55-703; effective, Jan. 1, 1972; effective Jan. 1, 1973.)

**82-2-219. Ratable production of gas from common source of supply.** In each common source of supply under the jurisdiction of the commission, each purchaser shall take gas in proportion to the allowables from all the wells to which it is connected and shall maintain all wells in substantially the same proportionate status as to overproduction or underproduction. This rule shall not apply when a difference in proportionate status results from the inability of a well to produce proportionately with other wells connected to the purchaser. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-703; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-221. Gas well location.** (a) A well shall not be drilled nearer than three hundred thirty (330) feet to any lease or unit boundary line except, the commission may, after notice and hearing grant exceptions to permit drilling within shorter distances when it shall determine that these exceptions are necessary either to prevent waste or to protect correlative rights.

(b) When an exception to this rule is desired, application shall be accompanied by a plat drawn to the scale of one (1) inch equalling one thousand (1,000) feet, accurately showing the property on which the well is sought to be drilled and accurately showing the property on which the well is sought to be drilled and accurately showing all other completed, drilling, or permitted wells on that property and all adjoining surrounding properties and wells.

(c) A gas well location exception for drilling, deepening or additional completion, recompletion, or re-entry in an existing well bore in a different pool may be issued by an administrative order under the following conditions:

(1) After thirty (30) days notice has been given to all offset operators and unleased mineral owners and no protest is made to the application; or

(2) When an application is accompanied by waivers of objections signed by all offsetting operators and unleased mineral owners.

(d) All well location exceptions issued by the commission shall expire six (6) months from the effective

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date, unless either drilling operations are commenced, or an application for a six-month extension of the permit is approved by the commission. Application for a six-month extension shall be accompanied by a statement of the applicant setting out the reasons the extension is necessary. Only one (1) six-month extension shall be granted by the commission. Should a well location exception permit be allowed to expire, a renewal shall not be granted unless a new application is filed, notice issued, hearing held, and proof made as in an original well location exception application.

(e) Wells drilled nearer than three hundred thirty (330) feet to any lease or unit boundary line without obtaining an exception from the commission shall be prohibited from producing either oil or gas.

(f) Whenever permission is granted to drill a well at a location other than specified in these rules, the allowable or production or both may be adjusted for the protection of the correlative rights of all persons entitled to share in the common source of supply. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-703a and 55-704; effective, May 1, 1982.)

**82-2-222. Application for well spacing; contents.**

(a) Any interested party shall be permitted to file an application for well spacing and orderly development. This application shall set forth the following:

(1) The location, depth, and producing formation of existing productive well(s) in the area sought to be spaced;

(2) A description of the area sought to be spaced, with an affirmation that all of the area is reasonably expected to be productive from the subject formation;

(3) The proposed well location restrictions;

(4) The proposed configuration of producing units for acreage attribution purposes;

(5) The names and addresses of all lessees of record in the area sought to be spaced;

(6) The names and addresses of all owners of record of the minerals in unleased acreage within the area sought to be spaced.

(7) The names and addresses, as shown by the applicant's books and records, of all persons owning the royalty or leasehold interest in acreage sought to be spaced which is operated by the applicant, or on which the applicant has a lease or an interest in the lease; and

(8) If a proration formula is sought, the factors proposed to be utilized in the allocation of production shall be set forth with specificity.

(b) An original and three (3) copies of the application shall be filed with the secretary of the commission in Topeka, Kansas. An additional copy of the application shall be sent to the conservation division of the commission in Wichita, Kansas. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-703(a) and 55-704; effective, May 1, 1982.)

**82-2-223. Penalties for violations of spacing orders.** (a) Any well drilled or being drilled in violation of an order or rule of the commission, when drilling commences after the effective date of an order or rule, shall be deemed to be an unlawful location and shall be presumed to be in violation of correlative rights and constitute the commission of waste. The commission may, upon receipt of a duly filed complaint or upon its own action, issue a show cause order to determine whether the drilling of the well was necessary to pro-

tect correlative rights or prevent waste. A hearing shall be held after notice to all interested parties as provided by these rules.

(b) If the commission determines that good cause has not been shown or that an exception should be denied, the commission may order the well be permanently capped or plugged and abandoned in accordance with the rules of the commission, or it may permit production at a reduced rate as to ensure protection of correlative rights and the prevention of waste. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-703(a) and 55-704; effective, May 1, 1982.)

**82-2-224. Penalties for violation.** (a) The production of gas in violation of the provisions of a basic proration order or otherwise in violation of the statutes or the rules and regulations shall be deemed unlawful and shall be presumed to be in violation of correlative rights and the commission of waste. The commission may, upon a duly filed complaint or upon its own action, issue a show cause order to determine whether the unlawful production was necessary to protect correlative rights or prevent waste. A hearing shall be held after notice to all parties entitled to notice, as provided by these rules.

(b) If the commission determines that it is necessary and required, it may order a well be sealed or padlocked for any period of time it may determine, or it may permit production at a reduced rate to ensure the protection of correlative rights and the prevention of waste. (Authorized by K.S.A. 55-704; implementing, K.S.A. 55-703(a) and 55-704, effective, May 1, 1982.)

**82-2-225. Assignments of allowables.** (a) Unless subject to special field rules, all wells shall have a completion report and an initial certified test run in conformance with these rules within sixty (60) days of first gas sales. Gas sold during the certified well test shall be excepted. In prorated areas all gas produced into a pipeline shall be counted against the allowable.

(b) After compliance with paragraph (a) of this rule, each well shall be assigned an allowable by the commission.

(c) An annual test shall be run in accordance with these rules, and the test shall be effective during the next succeeding year. Additional tests may be required by the commission at any time and become effective the first of the month following receipt of the conservation division.

(d) Accrued underage shall be carried forward as a cumulative credit by adding it to a well's current allowable until the underage has been produced. If a well's cumulative underage exceeds six (6) times the allowable assigned to it for the preceding January, all of the underage shall be cancelled, the well shall be classified as "limited", and the well shall not thereafter accumulate underage until the well produces a current allowable for any one (1) month. Upon application, cancelled underage may be reinstated by the commission to any capable well in an overproduced status within six (6) months after cancellation.

(e) Accrued overage shall be carried forward as a cumulative charge against the well by subtracting it from the well's current allowable until the overage exceeds six (6) times the current allowable assigned for the preceding January. The commission shall notify

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the operator and the pipeline of the overage in writing and the well shall thereafter be permitted to produce not more than twenty-five percent (25%) of its current allowable until all the overage in excess of six (6) times the well's current allowable for the preceding January has been made up. If the operator fails to limit production as provided, the well shall be ordered shut-in by the commission upon application of the commission. Shut-in shall be ordered after notice and hearing.

(F) If a well did not have a current allowable assigned to it on a full month's basis for the preceding January, the first current allowable assigned to the unit on a full month's basis shall be used as reference for the purpose of limiting underage and overage. (Authorized by K.S.A. 704; implementing, K.S.A. 1981 Supp. 55-703; effective, May 1, 1982.)

**82-2-302. Notice of intention to abandon well; supervision.** Before any work is commenced to abandon any well drilled for the discovery of oil or gas, disposal of salt water, or injection wells for repressuring projects, including any well drilled below the fresh water level, the owner or operator of the well shall give written notice to the conservation division of his intention to abandon such well. The notice shall contain, among other things, the location of the well and when the abandonment will commence. The notice shall be upon forms prescribed by the commission and shall contain all of the information requested. Verbal approval to plug and abandon a well may be granted by a duly authorized representative of the commission in emergency situations. If verbal approval is granted, the owner or operator shall still file the written notice. Upon receipt of the notice, or granting of verbal approval, the conservation division shall send a duly authorized representative of the commission to the location specified, to be present at the time indicated to supervise the plugging of the well. The owner or operator shall not proceed to plug any well unless a representative of the commission is present to supervise and inspect the plugging operations, unless otherwise authorized. (Authorized by and implementing, K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-303. Plugging methods and procedure.** The methods and procedure for plugging a well drilled for discovery of oil or gas, disposal of salt water, or injection wells for repressuring projects shall be as follows: (a) The bottom of the well shall be filled to the top of each formation known to be productive of oil or gas in that area with drilling mud of not less than thirty-six (36) viscosity (A.P.I. full funnel method) and a weight of not less than nine (9) pounds per gallon, or a bridge shall be placed at the top of each producing formation. In either event a cement plug not less than fifty (50) feet in length shall be placed immediately above each producing formation whenever possible.

(b) Cement plugs of not less than fifty (50) feet in length shall be placed to extend fifty (50) feet below the base of any fresh or usable water horizons, and to extend fifty (50) feet upwards from the top of any usable or fresh water horizons. Ratholes and mouseholes shall be plugged by displacing any mud or water with cement from the bottom of the hole to the surface.

(c) A cement plug shall be placed at the surface of the ground in each well plugged in a manner as not to interfere with soil cultivation.

(d) The interval between all plugs shall be filled with an approved heavy mud-laden fluid of not less than thirty-six (36) viscosity (A.P.I. full funnel method) and a weight of not less than nine (9) pounds per gallon.

(e) The operator, with the approval of the representative of the commission, shall have the option as to the method of placing cement in the well by dump bailer; pumping through tubing; pump and plugs; or other method approved by the commission. (Authorized by and implementing, K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, May 1, 1982.)

**82-2-305. Notice of intention to drill.** (a) Every person, firm, association or corporation drilling or responsible for drilling seismic, core or exploratory holes penetrating salt water formations for the purpose of exploration, discovery or production of oil, gas or other minerals, shall give written notice to the conservation division of intent to drill. This notice of intent shall be in the office of the conservation division at least five (5) days before any drilling is commenced. The notice of intention to drill shall be verified and shall be upon forms prescribed and prepared by the commission. The notice shall contain:

- (1) The name and address of the operator;
- (2) Name and address of the drilling contractor;
- (3) The date of commencement of the drilling;
- (4) A general description of the area in which the hole or holes are to be drilled, specifying township, range and county;
- (5) The depth of the deepest water well within the limits of the area which is shown in the notice of intent to drill; and
- (6) The contemplated depth of the deepest exploratory hole to be drilled.

(b) Before the commencement of drilling operations for the discovery or production of oil, gas or other minerals, including re-entry of a previously plugged and abandoned well or drilling of a service well, the owner or operator shall give written notice to the conservation division of the intention to drill any well for the discovery of oil or gas, which notice shall contain:

- (1) the name and address of the operator;
- (2) the name, number and exact location of the well;
- (3) the approximate date on which drilling will begin;
- (4) the estimated total depth;
- (5) the type of drilling equipment to be used;
- (6) the depth of the deepest fresh water well within one mile radius of the proposed drilling location;
- (7) the approximate difference in ground elevation between the well location and the deepest water well; and
- (8) the depth and approximate difference in ground elevation between the deepest municipal water well located within a three mile radius of the drilling location and the approximate elevation of the well location; and any other information requested by the commission. The notice shall be signed by the operator or the operator's agent and shall be upon forms prescribed by the commission. The form shall contain all the information requested.

(c) Upon receipt of the notice of intent to drill along

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with the appropriate fee, the commission shall notify the owner or operator of the amount of surface pipe necessary to protect all fresh and usable water. The owner or operator shall not commence the drilling operation until after notice has been received from the commission. A copy of the approved notice of intent to drill shall be posted on each drilling rig. The depth of this surface pipe shall be determined by the commission as set out in

(d) The commission may require from the owner of the lease, or the person, firm, corporation, or association drilling the well a good and sufficient bond running to the state of Kansas. The bond shall be in the amount of ten thousand dollars (\$10,000.00), and remain in force and effect until released by the commission. (Authorized by and implementing, K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective, Jan. 1, 1973; amended, May 1, 1982.)

**82-2-306. Seismic, core and other stratigraphic holes to be plugged; affidavit.** Before any hole drilled for seismic, core, or other exploratory purposes is abandoned, it shall be plugged in such a manner as to properly protect all water-bearing formations; and within sixty (60) days after the seismic or core holes in a specifically platted area have been plugged, an affidavit on a form prescribed by the commission shall be filed with the conservation division setting forth the date of drilling and location of the hole or holes, the method used in the plugging of these hole or holes, and all other information requested by the prescribed form. The plugging of the holes and filing of the affidavit shall be the duty and responsibility of the person, firm, association, or corporation actually conducting the seismic, core or exploratory field operations requiring use of the hole or holes, regardless of whether such operations are conducted for its own account or are conducted under contract or agreement for the account of others. (Authorized by and implementing K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-307. Plugging methods and procedure for seismic, core and other stratigraphic holes.** The methods and procedure for plugging seismic, core or other exploratory holes shall be as follows: (a) In any hole that penetrates a salt water formation it shall be plugged so as to prevent the migration of salt waters into fresh or usable waters as hereafter set forth:

(1) The owner or operator shall not proceed to plug any well unless a representative of the commission is present to supervise and inspect the plugging operation, unless otherwise authorized.

(2) The hole should be filled with cement from a point twenty (20) feet below the base of the Dakota or 20 feet below the base of the Cheyenne, if specified in K.A.R. 82-2-123, to a point one hundred (100) feet above the Dakota formation and filled to the surface with an approved heavy mud-laden fluid of not less than thirty six (36) viscosity. (A.P.I. full funnel method).

(3) In all cases there shall be a bridge and cement plug of not less than twenty five (25) feet in length placed at the depth set forth as the minimum depth requirement in table I of K.A.R. 82-2-123.

(4) Any hole that penetrates artesian pressure in the usable water zone should have a cement plug of not

less than twenty five (25) feet in length placed immediately above the top of the artesian water strata.

(5) The interval or intervals between the bottom of any hole and the plug or plugs set in any hole shall be filled with an approved heavy mud-laden fluid of not less than thirty six (36) viscosity (A.P.I. full funnel method).

(6) Costs in connection with the plugging of these holes shall be in accordance with K.A.R. 82-2-309.

(b) All seismic holes shall be plugged within ten (10) days after completion of the hole.

(c) Plugging shall include a minimum procedure of placing a plug at least fifteen (15) feet below the surface of the ground to prevent downward migration of surface water and filling the hole from the plug to surface with formation cuttings that have been removed during the drilling operation.

(d) Should circulation be lost in the drilling of any exploratory hole, an approved plug shall be placed immediately above the cavernous condition.

(e) In all holes drilled an approved plug shall be set, the top of which shall not be less than five (5) feet below the surface, and the remainder of the hole filled with soil. (Authorized by and implementing K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-308. Wells used for fresh water.** When a well or hole to be plugged may safely be used as a fresh water well, and this utilization is desired by the landowner, the well need not be filled above any required sealing plug set below fresh water. Written authority for use shall be secured from the landowner, and filed with the commission. Notice shall be given to the division of water resources, Kansas board of agriculture. (Authorized by and implementing K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

**82-2-600. Well bore; commingling and multiply-completed wells.** (a) Commingling of production from more than one (1) source of supply after application and approval by the commission shall be permitted if the expected total production is less than the allowable for a single common source of supply for the immediate area. The allowable for the deeper zone shall apply in this case. The commission may prohibit commingling at its discretion if deemed advisable.

(b) The application (original and three copies) for commingling shall be filed with the Wichita, Kansas, office and include the following information:

(1) Description of the well with a plat showing location of subject well, location of other wells on lease, offset wells with operators;

(2) Names of the upper and lower limits of the sources of supply involved, with proposed perforations or open hole noted;

(3) Wireline log of the subject well;

(4) Expected production, oil-water-gas, for each source of supply; and

(5) The application shall be supported by affidavit and shall contain a certificate showing service of a copy of the application upon the operators of all offset leases. The application may be accompanied by waivers of right to protect executed by operators of offset leases. If waivers are obtained from the operators of all

(continued)



offset leases, the application may be passed upon immediately; otherwise, it shall be held in abeyance for a period of ten (10) days from the date of filing. If a protest is not filed with the commission within this ten-day period, the application may be passed upon without hearing; otherwise, a hearing after due notice shall be held.

(c) A new commingling application shall be required if the operator desires to open an additional source of supply that is not included in the initial application.

(d) Production from more than one (1) source of supply through the same well bore. The production of oil and gas or either of them from more than one source of supply through the same well bore will be permitted only by order of the commission after the filing of an application as provided.

(e) Dual or multiply-completed wells. Production from more than one (1) common source of supply through the same well bore shall be permitted if separation of each source of supply is maintained, after filing of application and commission approval.

(f) Whenever operators or producers desire to complete a well in more than one source of supply, they shall file an original and three (3) copies of an application requesting approval of dual or multiple completion with the secretary of the commission in Topeka, Kansas. An additional copy of the application shall be sent to the conservation division of the commission in Wichita, Kansas. The application shall contain the following information:

(1) Description of the well and lease for which application is made; a plat showing the location of the well and lease, the location of all other wells on the lease, and of all offset wells, with well depths and producing sources or supply properly designated and with lease ownership indicated;

(2) The names and upper and lower limits of the sources of supply involved in the dual or multiple completion;

(3) A well log of the subject well as defined in K.A.R. 82-2-101;

(4) A complete description of the proposed installation including the size, weight, depth and condition of all casing and tubing, the size of all drilled holes, the amount of cement used and the tops of cement behind each casing string, the location or intended location of casing perforations, the type of packer to be used and the depth at which it is to be set. A diagram of the proposed installation shall be attached to the application;

(5) Description of the proposed plan for separately measuring and accounting for the production for each source of supply; and

(6) Description of storage facilities and a description and diagram of the proposed wellhead to pipeline installation.

(g) The application shall be supported by affidavit and shall contain a certificate showing service of a copy of the application upon the operators of all offset leases. The application may be accompanied by waivers of right to protest executed by operators of offset leases. If waivers are obtained from the operators of all offset leases, the application may be passed upon immediately; otherwise, it shall be held in abeyance for a period of ten (10) days from the date of filing. If a

protest is not filed with the commission within the ten-day period, the application may be passed upon without hearing; otherwise, a hearing, after due notice, shall be held.

(h) All dual and multiple completions shall be made and all dually and multiply-completed wells shall be operated under the supervision of the commission. Packer installations made in connection with a dual or multiple completion and removal, reinstallation, or replacement of the packer in any dually or multiply-completed well shall not be made except upon notice to and in the presence and with the approval of a duly authorized representative of the commission. If one (1) of the producing sources of supply is abandoned, the plugging of the abandoned source of supply shall be witnessed and approved by a representative of the commission.

(i) If any source of supply in an intended dual or multiple completion is found upon testing to be non-productive, it shall immediately be plugged under the supervision of a commission representative.

(j) Dually and multiply-completed wells shall at all times be produced and maintained so as to insure the complete segregation of all fluids from the producing sources of supply. In supervising packer installations and in inspecting dually and multiply-completed wells in the course of their operation, representatives of the commission shall make or cause to be made tests that may be necessary to determine whether packer leakage exists. These tests may include bottom hole pressure measurements, chemical analysis of oil, water, and gas, and any other tests which are found to be indicative of the effectiveness of the packer.

(k) Whenever evidence of leakage of the packer in any dually or multiply-completed well is discovered, this packer shall be immediately repaired, a new packer shall be installed, or the affected producing source of supply shall be plugged.

(l) Dually or multiply-completed wells shall not be allowed to produce on any one (1) day in excess of twice its average daily allowable for the current proration period for that source of supply.

(m) Operators shall notify the commission and the operators of offset producing leases at least twenty-four (24) hours before the time when a packer is to be installed.

(n) An installation charge and inspection charges when performed for each dually or multiply-completed well shall be made to defray additional expenses of supervision by the commission.

(o) Failure of the operator of any dually or multiply-completed well to comply with any of the provisions of this rule shall constitute grounds for the revocation of the order granting the dual or multiple completion or the suspension or cancellation of current or future allowables of that well. If the order granting the dual or multiple completion of any well is revoked, all but one (1) of the producing sources of supply shall immediately be sealed off under the supervision of the commission.

(p) The commission may grant tentative approval for dual or multiply-completed wells based on extenuating circumstances with final approval granted after proper application. (Authorized by K.S.A. 55-602; implementing K.S.A. 55-603; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982.)

(continued)

**82-2-801. Applications; contents and approval.** (a) Applications for natural gas well classification determinations under the Natural Gas Policy Act of 1978, Pub. L. No. 621, shall be made upon forms prepared and furnished by the conservation division of the state corporation commission of the state of Kansas. The original and two (2) copies of this application shall be filed with the conservation division, Wichita, Kansas. An application shall be completed in conformance with the commission's rules and regulations before it will be considered by the commission. The applicant shall be the operator of the gas well for which a classification determination is requested.

(b) Upon receipt of an application for a natural gas well classification determination, the state corporation commission shall assign a docket number to the application. If the application is incomplete in any respect, the commission shall notify the applicant of items required to make the application complete. Upon receipt of a complete application, the commission shall set a hearing date, and notify the applicant of date. (Authorized by and implementing K.S.A. 66-1,185; effective, E-80-3, March 8, 1979; effective, E-81-9, April 9, 1980; effective May 1, 1981; amended May 1, 1982.)

**STATE CORPORATION COMMISSION**

Doc. No. 000166

## State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

## NOTICE

The following are permanent administrative regulations which were adopted by a state agency pursuant to K.S.A. 1981 Supp. 77-415 *et seq.* *These regulations are scheduled to become effective May 1, 1982, but are subject to legislative review and may be modified or revoked by the Kansas Legislature prior to May 1.* Any such legislative action will be reported in the *Kansas Register*. The May 6, 1982 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

**CONSUMER CREDIT COMMISSIONER****ADMINISTRATIVE REGULATIONS****Article 6.—CONSUMER CREDIT CODE**

**75-6-5.** (Authorized by K.S.A. 16a-6-104(e), 16a-2-510(5); effective, E-74-13, Jan. 1, 1974; effective May 1, 1975; revoked May 1, 1982.)

**75-6-15.** (Authorized by K.S.A. 16a-6-104(1)(e); effective, E-74-13, Jan. 1, 1974; effective May 1, 1975; amended, E-77-28, May 21, 1976; amended Feb. 15, 1977; amended, E-78-13, April 21, 1977; amended May 1, 1978; revoked May 1, 1982.)

**75-6-20 to 75-6-22.** (Authorized by K.S.A. 16a-6-104(e); effective May 1, 1975; revoked May 1, 1982.)

**Article 8.—KANSAS INVESTMENT CERTIFICATE ACT**

**75-8-1. Premiums and gifts.** (a) An investment company shall not give or offer to give to a purchaser of an investment certificate any premium or gift of which the value of the premium exceeds fifteen dollars (\$15.00). In the case of articles of merchandise, the wholesale cost (excluding shipping and packaging cost) shall not exceed fifteen dollars (\$15.00), except that the value or the wholesale cost shall not be more than twenty-five dollars (\$25.00) if the amount of the investment certificate purchased is five thousand dollars (\$5,000.00) or more.

(b) An investment company shall not give or offer to give to any purchaser of an investment certificate a premium or gift whereby the ownership of this premium or gift is subject to any future condition or future performance of the purchaser of an investment certificate. (Authorized by and implementing K.S.A. 16-601(6); effective, E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-2. Delinquency.** An investment company shall not obtain authorization for the issuance of investment certificates and shall not maintain this authorization once it is issued if the balance of accounts ninety (90) days or more past due equals five per cent (5%) or more of total receivables outstanding. (Authorized by and implementing K.S.A. 16-629(c); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-3. Acceptable assets.** An investment company

shall not invest in or own assets, or incur liabilities which are not inherent to the principal business of a licensed lender under the Kansas uniform consumer credit code, except this restriction shall not apply to the owning of real or personal property necessary to the accommodation of that business. (Authorized by and implementing K.S.A. 16-629(b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-4. Holding of real property.** An investment company may acquire real property in satisfaction of any debts due it. It may purchase real property at judicial sale, but shall not bid a larger amount than is necessary to protect its debts and costs. Real property acquired in the satisfaction of debts or at judicial sale shall not be carried as a book asset of the investment company for more than three (3) years, at the end of which time this real property shall be charged off. The commissioner may grant an extension for up to an additional two (2) years, if in the commissioner's judgment it will be to the advantage of the investment company to carry the real property as an asset for the extended period. (Authorized by and implementing K.S.A. 16-629(b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-5. Real property records.** The legal description of all real property owned by an investment company shall be kept in the records at the company's office, together with the date of the property's acquisition, the original cost, the costs of alterations and additions, the assessed valuation, and the amount at which the real property is carried as a book asset. If the property has been improved, the company's records shall show the amount and expiration date of any insurance which is in force. (Authorized by K.S.A. 16-629(a); implementing K.S.A. 16-602(b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-6. Holding of personal property.** An investment company may acquire personal property in satisfaction of any debts due it. It may purchase personal property at judicial sale, but an investment company shall not bid a larger amount than is necessary to protect its debts and costs. Personal property acquired in the satisfaction of debts or at judicial sale shall not be carried as a book asset of the investment company for more than six (6) months, at the end of which time this personal property shall be charged off. The commissioner may grant an extension for up to an additional six (6) months, if in the commissioner's judgment it will be to the advantage of the investment company to carry the personal property as an asset for the extended period. (Authorized by and implementing K.S.A. 16-629(b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-7. Insurance on investment company property.** The insurable tangible property of an investment company shall be insured for at least eighty percent (80%) of its actual cash value against loss from fire or lightning and extended coverage. (Authorized by and implementing K.S.A. 16-629(b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-8. Loans; records.** An investment company shall maintain complete credit information upon the borrower of any loan in excess of one thousand dollars

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(\$1,000) during the preceding twelve (12) months. An abstract, together with an attorney's opinion, a title insurance policy, a certificate of title, or an insured title report shall be on file with the investment company for each loan which is secured by an interest in real property. Satisfactory evidence that taxes are not delinquent upon this real property shall be on file with the investment company. If the value on the improvements on any real property is necessary for adequate security, an insurance policy covering these improvements against fire and windstorm shall be on file. The book and page of the county records shall be shown for each real property mortgage, and the date of filing shall be shown for each chattel security agreement or financing statement. (Authorized by K.S.A. 16-629 (a); implementing K.S.A. 16-602 (b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-9. Appraisal.** An appraisal of all real property mortgaged to an investment company in excess of ten percent (10%) of its unimpaired capital, undivided profit and surplus shall be made by an independent appraiser who shall view the premises and make a written, signed statement of value which shall be filed with the investment company. The land and the improvements shall be appraised separately. (Authorized by K.S.A. 16-629 (a); implementing K.S.A. 16-601 (8); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-10. Additional reserve for losses.** (a) The commissioner may require a reserve for losses in addition to the reserve required by generally accepted accounting principles whenever an examination of the books and records of the investment company indicates that the reserves maintained by it are inadequate. The commissioner shall consider the ratio of receivables on which three (3) or more contractual payments due within the preceding twelve (12) months are unpaid over total receivables. The commissioner shall also consider other accounts as specified in this regulation which may be potential losses.

(b) If the commissioner requires additional reserves for losses, the total shall include reserves for the following accounts:

(1) Accounts on which three (3) or more contractual payments due within the preceding twelve (12) months are unpaid and on which contractual payments have not been made within the past ninety (90) days. However, if one (1) contractual payment has been made within the past ninety (90) days, the reserve required may be fifty per cent (50%) of the principal balance;

(2) Accounts on which six (6) contractual payments are past due and unpaid and on which not more than two (2) contractual payments have been made within the past ninety (90) days;

(3) Accounts repayable at maturity by a single payment which are not paid in full within sixty (60) days after the maturity date of the account;

(4) Accounts of a debtor who is deceased and who did not have credit life insurance;

(5) Accounts of a debtor who has filed bankruptcy and on which contractual payments have not been made for a period of sixty (60) days;

(6) Accounts of a debtor whose location is unknown and on which a contractual payment has not been made for a period of sixty (60) days;

(7) Accounts of a debtor against whom a judgment remains unsatisfied for a period of ninety (90) days;

(8) Secured accounts, if the collateral or encumbered property is destroyed without insurance and contractual payments due after loss have not been made for a period of sixty (60) days;

(9) Accounts showing a balance due after the security interest has been exhausted and on which a full contractual payment has not been made for the past sixty (60) days;

(10) Accounts showing a balance due after compromise settlement; and

(11) Accounts deemed uncollectible for any other reason.

(c) The reserve required for secured accounts classified above may be reduced by the net amount likely to be realized from a forced sale of the collateral or encumbered property.

(d) For the purposes of this regulation, a refinanced delinquent account on which the first two (2) contractual payments are past due and unpaid shall be evaluated in accordance with its original terms and payment record.

(e) Unless stated otherwise in subsection (b), the reserve for losses for the accounts specified shall be one hundred percent (100%) of the unpaid balance. However, if facts concerning an account justify less reserve, the commissioner may reduce or eliminate the reserve. (Authorized by and implementing K.S.A. 16-629 (b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-11. Stockholders meetings.** Minutes shall be made of all stockholders' meetings and these minutes shall show all action taken by the stockholders, which shall include, but not be limited to, the election of all directors. (Authorized by K.S.A. 16-629 (a); implementing K.S.A. 16-602 (b); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

**75-8-12. Change of ownership.** A change of ownership of an investment certificate company will ordinarily be made when the change in ownership of its stock or the stock of its parent company, directly or indirectly, within any three (3) year period aggregate fifty percent (50%) or more of the company's outstanding shares. (Authorized by K.S.A. 16-629 (a); implementing K.S.A. 16-601 (30); effective E-82-23, Dec. 9, 1981; effective May 1, 1982.)

MELVIN A. BATTIN  
Consumer Credit Commissioner

Doc. No. 000164

## State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS****NOTICE**

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**BOARD OF HEARING AID EXAMINERS****ADMINISTRATIVE REGULATIONS****Article 1.—APPLICATION FOR LICENSE**

**67-1-1.** (Authorized by K.S.A. 74-5803 and 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-1-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-1-3.** (Authorized by K.S.A. 74-5803 and 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-1-4.** (Authorized by K.S.A. 74-5804 and 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-1-5. Applications.** All applications shall be signed by the applicant and notarized. In the case of a temporary license, the sponsor's statement shall also be notarized. (Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

**67-1-6. False information.** An applicant furnishing false information shall be denied the right to take the hearing aid dispenser's examination. If the applicant was licensed before the board's knowledge of the submission of false information, the license shall be subject to suspension or revocation. (Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

**67-1-7. Change of information.** When the name or address of the business is changed, notice of this change shall be filed with the executive officer within five (5) days of the change. (Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

**Article 2.—EXAMINATIONS**

**67-2-1 to 67-2-3.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-2-4. Examinations.** (a) Examinations shall be given by the board and shall be both a written and practical demonstration of technical proficiency. The passing score shall be seventy-five (75).

(b) The applicant shall be notified by letter by the board of the date, time, and location of the examination. The applicant shall be notified by letter of the examination results within thirty (30) days.

(c) The examination shall be reviewed by the board at least once every two (2) years to keep it current with the accepted knowledge of hearing aid audiology. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5806, 74-5812(a); effective May 1, 1982.)

**Article 3.—DUTIES OF SPONSORS OF TEMPORARY LICENSES**

**67-3-1.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-3-2. Responsibilities and terminations of responsibilities.** Responsibility for the ethical conduct of a temporary licensee shall rest with the certificate holder who sponsored the temporary licensee. The sponsoring license holder may terminate this responsibility by discharging the temporary licensee and returning the license by registered mail to the board with an explanation of why the licensee was terminated. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982.)

**67-3-3. Surrender of temporary license.** When a temporary licensee is separated from employment by the sponsor, the licensee shall surrender the temporary license to the sponsor. The sponsor shall return the license to the board. Upon application of a new sponsor, a new temporary license shall be issued. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5806(i), 74-5812(d); effective May 1, 1982.)

**Article 4.—EDUCATION REQUIREMENTS**

**67-4-1 to 67-4-5.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-4-6. Notice of licensees of educational course offerings.** The executive officer shall notify current and temporary license holders at least thirty (30) days before the date the board offers the educational courses. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

**67-4-7. Educational requirement duties of executive officer.** The executive officer shall rate those who are in attendance and issue each person a written certificate stating the number of credit hours that the licensee has successfully completed. These certificates shall be presented to the board annually at least thirty (30) days before July 1. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

**67-4-8. Completion of education through national organizations other than the board.** Any temporary or permanent licensee who wants to complete their educational requirements through the National Hearing Aid Association or National Manufacturers Symposium shall obtain a written certificate from the instructor of each course attended stating the course title and number of days attended. The licensee shall present these certificates to the executive officer of the

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board within sixty (60) days after attending these alternative courses. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

**67-4-9. Notice of the number of credit hours accepted through organizations other than the board.** The board shall examine each certificate and advise the licensee of how many credit hours the board shall accept toward the two (2) days of educational requirements set out in K.S.A. 74-5821. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective by May 1, 1982.)

**67-4-10. Requirements for education through local organizations other than the board.** Any temporary or permanent licensee who desires to complete their educational requirements through a local meeting presented by manufacturer representative shall present to the board the proposed program, the instructor, and a short statement of the course content. The program shall be presented to the board at least sixty (60) days before the proposed program is to be taught. After reviewing the proposed program, the board shall accept or reject in writing the proposed program as meeting the educational requirements set out in K.S.A. 74-5821, within thirty (30) days of its receipt by the executive officer. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

**67-4-11. Notice of credit hours assigned to proposed program.** If the board accepts the proposed program, it shall direct the executive officer to notify the licensee of his or her acceptance and the number of credit hours the program counts toward the two (2) days educational requirements set forth in K.S.A. 74-5821. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

**67-4-12. Notice of certificates for course completion.** A temporary or permanent licensee attending a local meeting presented by a manufacturer's representative whose program has been accepted by the board shall obtain from the instructor of an educational course they attend a signed certificate presented to the executive officer thirty (30) days after he or she has attended the local meeting. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982.)

#### Article 5.—RENEWALS

**67-5-1 to 67-5-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-5-3. Renewal fee; responsibility of license holder.** A renewal fee of \$25.00 shall be paid by each license holder to the executive officer on or before the expiration date of the license holder's current lease. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5810a, 74-5816; effective May 1, 1982.)

**67-5-4. Delinquent renewals; penalties.** Renewals shall be judged delinquent on midnight of the expiration date and may only be renewed after that day by payment of a five dollar (\$5.00) penalty plus the renewal fee. After a grace period of thirty (30) days, beginning with the expiration date, a penalty of ten dollars (\$10.00) plus the renewal fee shall be assessed. (Authorized by K.S.A. 74-5806, K.S.A. 74-5810a; im-

plementing K.S.A. 74-5810a, 74-5816; effective May 1, 1982.)

#### Article 6.—UNETHICAL CONDUCT

**67-6-1.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-6-2. Unethical conduct.** Unethical conduct shall mean: (a) The obtaining of a fee or the making of a sale of a hearing aid by fraud or misrepresentation; and (b) Directly or indirectly employing a suspended or unlicensed person to perform work covered by this act. During a period of suspension, a dispenser who fits or dispenses a hearing aid shall have his or her license revoked;

(c) Using, causing, or promoting the use of advertising matter, promotional literature, testimonials, guarantees, warranties, labels, brands, insignia, or other representation however disseminated or published which is misleading, deceiving, or untruthful;

(d) Representing that the services or advice of a person licensed to practice medicine will be used or made available in the selection, fitting, adjustment, maintenance, or repair of hearing aids when that is not true;

(e) Permitting another person to use his or her license or certificate;

(f) Defaming competitors by:

(1) Falsely inputting to them dishonorable conduct, inability to perform contracts, questionable credit standing, or other misrepresentation; or

(2) To disparage the products of competitors in any respect, their business methods, selling prices, values, credit terms, policies, fitting, or services;

(g) Displaying competitive products in his or her display window, place of business, or advertising in a manner which is false or disparaging;

(h) Using, in the licensee's advertising, the name, model name, or trade-mark of a particular manufacturer of hearing aids in a manner that implies a relationship with the manufacturer which does not exist;

(i) Using a trade name, corporate name, trademark or other trade designation which has the tendency of misleading or deceiving purchasers or prospective purchasers as to the name, nature, or origin of a product or of materials used therein;

(j) Obtaining information concerning the business of a competitor by bribing an employee or agent of the competitor or by false or misleading statements or representations;

(k) Directly or indirectly giving or offering to give money or anything of substantial value to a practitioner of the hearing arts or to a person who is licensed by the Kansas Board of Healing Arts to refer patients or clients as an inducement to influence them or have them influence others to purchase or contract to purchase products sold or offered for sale by a hearing aid dispenser, or to influence persons to refrain from dealing in the hearing aids and accessories of competitors;

(l) Gross incompetence or negligence in fitting, dispensing and servicing hearing aids; and

(m) Failure to return monies within 20 days after an aid has been returned on a trial or rental contract.

(continued)

(Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

**67-6-3. Unethical conduct; advertising.** It shall be unethical for a licensee to: (a) Advertise or promote his or her business without including the name and address of that business in the advertisement; and

(b) To use the term "hearing" in advertisements, letterheads, business cards, or upon the premises without including the term "hearing aid" in a conspicuous place. (Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

**67-6-4. Unethical conduct; display of license.** Failure to comply with the following shall constitute unethical conduct in the display of licenses. (a) On the application to the board each hearing aid dispenser shall state the name and location of the office or place of business where his or her license shall be regularly displayed. This office shall contain the necessary and properly maintained equipment and supplies for servicing customers' needs and the office and equipment shall be kept in a sanitary condition.

(b) An identification card shall be issued to each licensee and it shall list the address of the licensee's office. This card shall be kept in the possession of the licensee and, upon the request of a customer, board member, or law officer, shall permit the identification card to be inspected. (Authorized by and implementing K.S.A. 74-5806(i); effective May 1, 1982.)

#### Article 7.—INSPECTIONS

**67-7-1 to 67-7-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-7-3. Notice to licensees of faulty equipment.** The executive officer shall notify in writing each licensee whose equipment has been found faulty of the condition existing on the premises. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982.)

#### Article 8.—FILING AND INVESTIGATION OF CHARGES

**67-8-1 to 67-8-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-8-3. Complaint.** A person may make a complaint before the board against a licensed hearing aid dispenser by filing with the executive officer in writing the name of the dispenser, the nature of the complaint, and the time and place of the complaint's origin. This information shall be kept confidential unless this information is made the basis of a hearing before the board. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982.)

**67-8-4. Defense of complaint.** The board shall investigate all complaints before taking action and making public the name of the dispenser against whom the complaint was filed. The board shall also give a dispenser against whom a complaint has been filed an opportunity to defend his or her actions. This defense shall be filed in writing with the board within 10 days after he or she has been notified. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982.)

#### Article 9.—SUSPENSION OR REVOCATION PROCEEDINGS

**67-9-1.** (Authorized by K.S.A. 74-5806 (j); effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-9-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-9-3, 67-9-4.** (Authorized by K.S.A. 74-5806 (j); effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

**67-9-5. Proceedings.** In proceedings for a suspension or revocation of a license, temporary license, or certificate of endorsement, the holder of this license or certificate shall have the right to request a hearing before the board. If a hearing is requested the holder shall be given fifteen (15) days notice to prepare for hearing. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5806, 74-5820; effective May 1, 1982.)

**67-9-6. Notice.** This notice shall specifically state the nature of the complaints against the person to whom they are made and shall set forth the time and place of the hearing. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982.)

#### Article 10.—EDUCATIONAL REQUIREMENTS

**67-10-1 to 67-10-10.** (Authorized by K.S.A. 74-5821; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### Article 11.—RENEWALS

**67-11-1 to 67-11-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### Article 12.—FILING AND INVESTIGATION OF CHARGES

**67-12-1 to 67-12-3.** (Authorized by K.S.A. 74-5806; effective E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### Article 13.—SUSPENSION OR REVOCATION PROCEEDINGS

**67-13-1 to 67-13-2.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### Article 14.—DISPLAY OF LICENSE

**67-14-1 to 67-14-4.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### Article 15.—STATUS OF RULES

**67-15-1.** (Authorized by K.S.A. 74-5806; effective, E-70-25, May 25, 1970; effective Jan. 1, 1971; revoked May 1, 1982.)

#### BOARD OF HEARING AID EXAMINERS

Doc. No. 000160

## State of Kansas

**PERMANENT ADMINISTRATIVE  
REGULATIONS****NOTICE**

The following are permanent administrative regulations which were adopted by a state agency pursuant to K.S.A. 1981 Supp. 77-415 *et seq.* These regulations are scheduled to become effective May 1, 1982, but are subject to legislative review and may be modified or revoked by the Kansas Legislature prior to May 1. Any such legislative action will be reported in the *Kansas Register*. The May 6, 1982 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

**STATE BOARD OF EMBALMING****ADMINISTRATIVE REGULATIONS****Article 1.—EMBALMING; FUNERAL DIRECTORS**

**63-1-1. Definitions.** (a) Advertisement means the publication, dissemination, circulation, or placing before the public or causing directly or indirectly to be made, published, disseminated, or placed before the public any announcement or statement in a newspaper, magazine or other publications, or in the form of a book, notice, circular, pamphlet, letter, handbill, poster, bill, sign, placard, card, label or tag, or over any radio or television station.

(b) Board means the state board of embalming of Kansas.

(c) Burial insurance. The term "insurance or contracts of the burial or funeral benefit types" shall include all agreements, certificates, policies, contracts, by-laws, instruments, or other transactions made or issued by individuals, firms, partnerships, societies, corporations, associations, and other organizations of any kind, including companies organized or operating under burial insurance statutes, which, in consideration of the payment of dues, fees, subscriptions, assessments, premiums, or other considerations, provide the member assured or other designated person in case of death with funeral service, funeral merchandise, funeral expenses, or any part of these, or which allow or promise any credit or concession for the purpose of inducing the placing of funeral calls or funeral services shall include policies or contracts which contain provisions for the payment of funeral, burial, or other expenses of deceased members or assureds, and to policies or contracts issued by companies organized or operating under burial insurance statutes. It shall also include any contract or policy which contains any provisions whereby the benefits or any part of them accruing under the contracts or policy, upon the death of the member or of the person insured, are payable either directly or indirectly to a designated embalmer, funeral director or funeral establishment or other person engaged in such trade or business, or to any official or designated group of them which in any way deprives the legal representative, family, or next of kin of the deceased of the advantages of competition and freedom of choice at the immediate time of need in procuring and purchasing supplies or services in the

open market in connection with the burial of the deceased.

(d) Casket means a rigid container which is designed for the encasement and burial of human remains and which is usually constructed of wood or metal, ornamented, and lined with fabric.

(e) Disposition means the final disposal of the body whether it be by earth interment, above ground burial, cremation, burial at sea or by delivery to a medical institution for lawful dissection and experimentation if the medical institution assumes complete responsibility for disposal.

(f) Embalmer shall mean any person engaged or holding himself or herself out as engaged in embalming, whether on his or her own behalf or in the employ of another.

(g) Embalming shall mean the injection, both arterially and into the body cavities, of any amount of approved embalming fluid at least to the equivalent of ten percent (10%) of the body weight.

(h) Funeral directing shall mean the business, practice, or profession of: directing or supervising funerals; the preparation other than by embalming or the disposal of dead human bodies by any means whatever other than by cremation; or conducting a funeral establishment which is advertised or used for funeral services.

(i) Funeral service or funeral means a period following death in which there are religious services or other rites or ceremonies with the body of the deceased present.

(j) Apprentice embalmer means a graduate of a school of mortuary science who has successfully passed the written examination given by the board and is properly registered under a Kansas licensed embalmer to serve his or her apprenticeship.

(k) Embalmer apprenticeship means a period of time specified by the board that the apprentice shall serve when properly registered by the board under a Kansas licensed embalmer after he or she has successfully passed the examination given by the board.

(l) Graveside service is when and where a rite or ceremony is held only at graveside. This rite or ceremony is not what is generally construed as the committal service which follows a funeral.

(m) Memorial service means a gathering of persons for a program in recognition of death without the presence of the body of the deceased.

(n) Practice of funeral service means a person engaging in: providing shelter, care, and custody of human dead; the practice of preparing the human dead by embalming or other methods for burial or other disposition; being responsible for the transportation of the human dead, bereaved relatives, and friends; making arrangements at or before need, financial or otherwise, for the providing of these services or sale of funeral merchandise, whether for present or future use; or, the practice of or performance of any functions of funeral directing or embalming as presently known including those stipulated in this part.

(o) Suitable container means any receptacle or enclosure other than a casket which is of sufficient strength to be used to hold and transport human remains including, but not limited to, cardboard, pressed-wood or composition containers, and canvas or opaque polyethylene pouches.

(continued)



(p) Continuing education is defined as an academic course or workshop developed for the purpose of increasing or sustaining the proficiency of the licensee.

(q) Licensee means any person licensed to practice as an embalmer or as a funeral director in the state of Kansas.

(r) Approved program or activity means a continuing education program meeting the standards set forth in these rules which has received advance approval by the board pursuant to these rules.

(s) Accredited sponsor means a person or organization sponsoring continuing education activities which has been approved by the board as a sponsor pursuant to these rules.

(t) The continuing education compliance period shall comprise the twenty-four (24) month period immediately before the licensee's renewal date.

(u) Funeral director apprenticeship is the time spent as an assistant funeral director for a period of not less than one year. (Authorized by K.S.A. 74-1701; implementing K.S.A. 65-1703, 65-1701a, 65-1712, 65-1713, 65-1723, 74-1707, 65-1711a, 65-1713b; effective Jan. 1, 1966; amended Jan. 1, 1974; modified, L. 1978, ch. 465, May 1, 1978; amended May 1, 1979; amended May 1, 1982.)

**63-1-2. Meetings.** The board shall hold four meetings each year for the examination of applicants for embalming licenses and for the transaction of any other business that may come before said board. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1701a, 74-1704; effective Jan. 1, 1966; amended May 1, 1976; amended May 1, 1982.)

**63-1-3. Registration and apprenticeship.** (a) Every person desiring to enter the practice of embalming dead human bodies within the state of Kansas shall make application to the board thirty (30) days before the examination date upon forms provided by the board for a "certificate of registration." This application shall be accompanied by official transcripts of accredited institutions of higher learning showing the applicant has met the educational requirements of the applicable statute (K.S.A. 65-1701a) and statements that the school, institute, junior college, college or university where the applicant has completed his or her application meets the following qualifications:

(1) The school, institute, junior college, college or university is accredited by a regional accrediting association, such as the north central association of secondary schools, colleges and universities.

(2) The school, institute, junior college, college or university offers a twelve (12) month course in mortuary science or funeral service education.

(3) The school, institute, junior college, college or university is accredited by the American board of funeral service education or by any agency recognized by the United States commissioner of education as the proper agency for the accrediting of these schools.

(b) When an applicant has successfully completed the educational requirements stated in K.S.A. 65-1701a with a "C" average he or she shall file the college or university transcript with the prescribed fee. Upon receiving a "certificate of completion" or the degree offered by that school, he or she shall be eligible to write the embalmer's examination given by this board.

(c) When the student is enrolling in an approved

school of mortuary science offering only mortuary science courses, he or she shall have completed sixty (60) hours with a "C" average in an accredited college or university. In these mortuary science courses, he or she shall obtain a minimum of thirty (30) hours before being eligible to write the embalmer's examination given by this board.

(d) If successful in the examination, the applicant shall then be registered under a Kansas licensed embalmer for his or her apprenticeship by filing the forms provided by the board. The apprentice embalmer and the licensee under whom he or she is registered shall file quarterly reports of progress with the board. Upon completion of the apprenticeship the licensed embalmer shall certify to the board, on forms provided, that the apprentice has satisfactorily completed the apprenticeship and the board shall issue an embalmer's license upon payment of the pro-rated biennial fee.

(e) All transcripts and other records filed with the board shall become part of its permanent file and records.

(f) Should the applicant not appear and write the examination within two (2) years from the date of his or her first registration, his or her registration shall then be automatically canceled, except that time served in the armed forces shall not be counted in computing this period. If the applicant desires to re-register, he or she shall make a new application for registration and comply with the requirements of the board.

(g) Should an apprentice embalmer fail to complete his or her apprenticeship within a period of two (2) years following the successful completion of his or her examination, his or her apprenticeship shall be canceled, except that time served in the armed forces should not be counted in computing this period. Should the applicant later desire to complete his or her apprenticeship, he or she shall first rewrite and successfully pass the examination.

(h) An applicant who has passed the examination shall receive credit toward his or her apprenticeship for the time spent in the armed forces if his or her primary duties during that time were the preparation and caring for dead human bodies under the supervision of persons holding a valid embalmer's license in any state, one of whom shall certify as to the duties of the applicant. (Authorized by K.S.A. 44-534, 44-573; implementing K.S.A. 65-1701a, 65-1702, 65-1727; effective Jan. 1, 1966; amended Jan. 1, 1967; amended Jan. 1, 1969; amended Jan. 1, 1974; amended, E-76-14, Feb. 28, 1975; amended May 1, 1976; amended May 1, 1978; amended May 1, 1982.)

**63-1-5. Requirements for reciprocal embalmer's license.** (a) An applicant for a reciprocal embalmer's license shall appear in person before the board for an interview. The applicant shall demonstrate that he or she intends to practice embalming part or full-time within the state of Kansas. The applicant shall also provide the board at the interview: a completed application form for a license provided by the board; satisfactory evidence that the applicant has been actively engaged as a licensed embalmer for a period of three (3) years; two (2) character references; and a statement of good standing from his or her home state licensing board or agency.

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(b) The applicant shall be currently licensed in a state which has educational requirements that are as high as those of Kansas, and shall agree to certify in writing that he or she has read, understands, and will abide by the rules, regulations, and statutes of the state of Kansas.

(c) The fee for a reciprocal license and examination shall be as provided by statute. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1701b; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1982.)

**63-1-6. General rules relating to the practice of embalming.** (a) In the event of the loss or destruction of any embalmer's license issued, the board shall issue a duplicate license upon verified proof of the loss or destruction of the license. Duplicates of license numbers shall not be issued.

(b) Licenses are not transferable or salable.

(c) Only persons duly licensed under the laws of the state of Kansas as embalmers shall practice the art of embalming, or hold themselves out to the public or advertise as an embalmers within the state of Kansas.

(d) All licensees shall promptly notify the secretary of the board of all changes in their addresses.

(e) All licensees shall promptly and fully cooperate at all times with the state department of health and environment and with this board in all matters pertaining to the general practice of embalming.

(f) A prearranged funeral service which does not include prefinancing may be entered into by a licensee if the licensee does not solicit the agreement and all such agreements shall be available at all times for the board's review.

(g) A licensee, or anyone acting on behalf of a licensee, shall not receive, make, solicit or enter into a funeral service contract or any part of a funeral service contract, unless all contracts are revocable at the will of either party before and after death by the next of kin, or the legal representative of any party to the contract. These contracts or agreements shall be available at all times for the board's review.

(h) A licensee, or any person acting on behalf of licensee, shall not in any way represent any insurance company, society or association, corporation or agency selling insurance or burial insurance benefits or plans, or collect premiums or assessments, unless subject to the following conditions and restrictions:

(1) A licensee of this board, before representing an insurer, shall be a stockholder, officer, or agent for an insurance company which is licensed to do business in this state and shall have the right to perform all duties pertaining to that office if the insurance policies are payable in cash and do not restrict the right of the insured or beneficiary to select a funeral director of his or her choice, provided, other provisions are not violated.

(2) A licensee shall not have the right to solicit or obtain applications of insurance with companies which are not authorized to transact business in Kansas.

(3) A licensee's name may be used in the form of an endorsement of a funeral or burial insurance plan or burial association benefits, if the licensee does not initiate or pay the cost of such advertising and the recommendation is genuine and representative of the current opinion of the author. This shall apply to the policy advertised and accurately be reproduced. In

addition, should the individual making the recommendation have a financial interest in the insurer or a related entity as a stockholder, director, officer, employee, or otherwise, or receive any benefit directly or indirectly, this fact shall be disclosed in the advertising.

(4) An insurance company or an agent of the funeral or burial type shall not be operated or conducted within the confines of a funeral home or establishment.

(5) A licensee shall not be connected in any way with an insurance company if: (A) policies are payable in merchandise, or require the services of a designated funeral director or member of a designated group of funeral directors; or (B) the certificate or policy of that company provides for a reduction in the value of merchandise or services furnished or the price to be paid for them. (Authorized by K.S.A. 74-1704, 74-1707; implementing K.S.A. 65-1701, 74-1707, 65-1711a; effective Jan. 1, 1966; modified, L. 1979, ch. 345, May 1, 1979; amended May 1, 1982.)

**63-1-8. Investigations and hearings.** (a) Whenever a duly verified written complaint is filed with the board charging the holder of a Kansas embalmer or funeral director license with the violation of: any of the rules and regulations of this board or any of the applicable rules and regulations of the department of health and environment; any of the embalming or funeral directing laws of this state; or for any other reason stated, it shall be the duty of the state board of embalming to cause inquiry to be made. If the board finds that there are reasonable grounds for the charge or complaint, it shall fix a time and place for the hearing, and shall cause written notice of the time and place of the hearing to be served upon the licensee by registered mail or personal service. When a written complaint against that person is filed with the board, a copy of the written complaint shall be attached to the notice served upon the licensee. The hearing shall be at a future time that will allow both the complainant and the alleged violator a reasonable time to prepare the case, and may be continued from time to time at the discretion of the board. Each interested party may appear in person and be represented by counsel, and may also produce witnesses and other evidence in support of the case. The board may also be represented by counsel and produce witnesses and other evidence. Affidavits properly executed may also be introduced into evidence. All complaints shall name the person against whom complaints were made, the time and place of the alleged acts or violations, and the facts of which the complainant has knowledge.

(b) A record shall be made of all proceedings. If after being fully informed and considering all the facts and circumstances the board shall find the charges to be true, in whole or in part, or in a lesser degree than stated in the complaint or notice, it may suspend, refuse to issue or renew, or revoke the license of the guilty party or parties, or may place the guilty party or parties on probation. If the board finds that the charges have not been proved, it shall dismiss the same. A licensee whose license has been revoked can only be reinstated by the unanimous consent of the board, and upon passing any examination and investigation that the board may deem necessary and proper under the

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circumstances. (Authorized by K.S.A. 74-1704; implementing K.S.A. 17-1704; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1982.)

**63-1-9.** (Authorized by K.S.A. 74-1704; effective Jan. 1, 1966; revoked May 1, 1982.)

**63-1-10.** (Authorized by K.S.A. 74-1704; effective Jan. 1, 1966; amended Jan. 1, 1974; amended May 1, 1978; revoked May 1, 1982.)

**63-1-13.** (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; revoked May 1, 1982.)

**63-1-14. Continuing education requirements.**  
(a) Beginning May 1, 1981, each licensee in this state shall submit with his or her license renewal application, satisfactory proof of completion of a minimum of six (6) clock-hours of continuing education courses approved by the board per year and prorated for the portion of the continuing education compliance period since January 1, 1981. Compliance with the requirement of continuing education is a prerequisite for license renewal at each subsequent license renewal date.

(b) Hours of continuing education credit may be obtained by attending and participating in continuing education courses or workshops either previously accredited by the board or otherwise meeting the requirements stated here and approved by the board.

(c) During the time an organization, education institution, or person is an accredited sponsor, all continuing education programs of the organization or person may be approved.

(d) A licensee desiring to obtain credit for completing more than twelve (12) hours of approved continuing education credits during any two (2) licensure years shall report this carry-over credit to the board on or before the expiration of his or her current licensure year. This carry-over credit shall be limited to no more than six (6) clock-hours.

(e) (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-15. Standards for approval.** (a) A continuing education course or workshop shall be qualified for approval if the board determines that it:

(1) Constitutes an organized program of learning (including a symposium) which contributes directly to the professional competency of the licensee;

(2) Relates to the practice of mortuary science;

(3) Is conducted by individuals considered experts in the subject matter of the program by reason of education, training, or experience; and

(4) Is accompanied by a paper, manual, or written outline which substantially pertains to the subject matter of the program.

(b) Except as may be allowed by the board, a licensee shall not receive credit exceeding three (3) credit-hours of the annual total required hours, for correspondence work; or for video, sound-recorded, or television programs, or by other similar means as authorized by the board. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; ef-

fective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-16. Approval of sponsors, programs, and activities.** (a) Accreditation of sponsors. An organization or person not previously accredited by the board, which desires accreditation as a sponsor of courses, programs, or other continuing education activities, shall apply for accreditation to the board stating its educational history for the preceding two (2) years, including approximate dates, subjects offered, total hours of instruction presented, and the names and qualifications of instructors. By January 1 of each year, commencing January 1, 1981, all accredited sponsors shall report to the board in writing the educational programs conducted during the preceding calendar year, on a form approved by the board. The board may at any time re-evaluate an accredited sponsor. If after that re-evaluation, the board finds there is basis for consideration of revocation of the accreditation of a sponsor, the board shall give notice in writing to that sponsor of the hearing on the revocation of accreditation at least thirty (30) days before the hearing.

(b) Prior approval of activities. An organization or person other than an accredited sponsor, which desires prior accreditation of a continuing education program of any nature, shall apply for accreditation to the board before its quarterly board meeting on a form provided by the board. The applicant shall be notified in writing of the board's decision within fifteen (15) days after the board's decision. The application shall state the dates, subjects offered, total hours instruction, names and qualifications of speakers and other pertinent information.

(c) Post approval of activities. A licensee seeking credit for attendance and participation in an educational program which was not conducted by an accredited sponsor nor otherwise approved shall submit to the board, within thirty (30) days after completion of the activity, its dates, subjects, instructors and their qualifications, and the number of credit hours requested. Within ninety (90) days after receipt of the application the board shall advise the licensee in writing by mail whether the activity is approved and the number of credit hours allowed. A licensee may be denied credit if he or she fails to comply with the requirements of this paragraph.

(d) Review of programs. The board may monitor or review any continuing education course or workshop already approved by the board and upon evidence of significant variation in the program presented from the program approved may disapprove all or any part of the approved hours granted the program. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-17. Hearings.** In the event of a denial, in whole or in part, of any application for accreditation or approval of a continuing education course or workshop, the applicant or licensee shall have the right of hearing pursuant to K.A.R. 63-1-8. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

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**63-1-18. Report of licensee.** Each licensee shall file with the Board a signed report of continuing education credit-hours completed during the continuing education compliance period, with the application for renewal of his or her license. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-20. Disability or illness.** The board may, in individual cases involving disability or illness, grant waivers of the minimum education requirements or extensions of time within which to fulfill the same or make the required reports. A waiver or extension of time shall not be granted unless a written application has been made on forms provided by the board and signed by the licensee and a person licensed to practice the healing arts. Waivers of the minimum educational requirements may be granted by the board for a period not to exceed twenty-four (24) months. In the event that the disability or illness upon which a waiver has been granted continues beyond the period of this waiver, the licensee shall apply for an extension of the waiver. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-21. Exemptions for inactive practitioners.** A licensee who is not engaged in practice in the state of Kansas may be granted a waiver of compliance and obtain a certificate of exemption upon written application to the board. The application shall contain a statement that the applicant will not engage in the practice of embalming in Kansas without first complying with all regulations governing reinstatement after exemption. The application for a certificate of exemption shall be submitted on the form provided by the board. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

**63-1-22. Reinstatement of inactive practitioners.** Inactive practitioners who have been granted a waiver of compliance with these regulations and obtained a certificate of exemption, shall before engaging in the practice of embalming or funeral director in the state of Kansas satisfy the following requirements for reinstatement:

(a) Submit written application for reinstatement to the board upon forms provided by the board, and

(b) Furnish in the application evidence of one of the following:

(1) Full time practice as an embalmer or funeral director in another state of the United States or the District of Columbia and completion of continuing education for each year of inactive status in Kansas substantially equivalent in the opinion of the board to the continuing education required under these rules;

(2) Completion of a total number of hours of accredited continuing education computed by multiplying six (6) by the number of years a certificate of exemption shall have been in effect for the applicant;

(3) Successful completion of the Kansas state license examination for embalmers and funeral directors taken within one (1) year immediately before the submission of the application for reinstatement; or

(4) The holding of a valid Kansas embalmer's license by a funeral director. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1716; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982.)

## Article 2.—FUNERAL DIRECTING

**63-2-3. Licensee in charge of establishments.** (a) The business of a funeral director shall be conducted and engaged in at a fixed and specific place or establishment, which is constructed, equipped, and operated as required by law and the rules of this board.

(b) A person or group of persons, partnership, corporation, association or other organization shall not open, operate, or maintain a place or establishment at which to engage in or conduct the business of a funeral director without a Kansas licensed funeral director in charge at all times.

(c) Each establishment shall be under the personal supervision and charge of a Kansas licensed funeral director, as required by K.S.A. 65-1713a. The funeral director shall meet the following requirements:

(1) Devote his or her time and attention to the personal supervision and operation of the funeral establishment to which his or her license is assigned, and shall actually devote and give priority during the working hours necessary to the operation of that funeral establishment. A Kansas funeral director shall not have charge of more than one (1) funeral establishment;

(2) Any Kansas licensed funeral director owning or having an interest in more than one (1) Kansas funeral establishment shall employ at all times a Kansas licensed funeral director for each of these establishments who shall have personal supervision and charge of the establishment;

(3) A licensee shall not transfer his or her license to another funeral establishment as provided by K.S.A. 65-1714, unless such licensee intends to and actually does devote his or her full time and attention to the operation of the funeral establishment to which his or her license is transferred; and

(4) A funeral, or any portion of it, may not be conducted without a licensed funeral director being present, except where his or her presence is not physically possible. Then the licensee may appoint any Kansas licensed funeral director or assistant funeral director as his or her representative and the responsibility for the proper conduct of the funeral shall be shared between them. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1713a; effective Jan. 1, 1966; amended Jan. 1, 1967; amended May 1, 1978; amended May 1, 1982.)

**63-2-6.** (Authorized by K.S.A. 74-1704; effective Jan. 1, 1966; revoked May 1, 1982.)

**63-2-7. General rules relating to the practice of funeral directing.** (a) Only persons duly licensed under the laws of the state of Kansas as funeral directors, shall be employed as funeral directors or hold themselves out to the public or advertise as funeral directors within the state of Kansas.

(b) All licensees shall promptly notify the secretary of the board of all changes in their addresses. A licensee shall immediately notify the secretary of the

(continued)

board if his or her business is sold or discontinued, or if his or her connection with that business has been terminated. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1713, 65-1713a, 65-1713b, 65-1714; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1982.)

**63-2-11. Requirements for reciprocal funeral director's license.** (a) An applicant for a reciprocal funeral director's license shall appear in person before the board for an interview. The applicant shall demonstrate that he or she intends to regularly remove remains from this state for funeral services, or intends to regularly conduct all or portions of funeral services within Kansas. The applicant shall also provide the board at the interview with: a completed application form for the license provided by the board; satisfactory evidence that the applicant has been licensed as a funeral director for a minimum period of one year in another state; two character references; and a statement of good standing from his or her home state licensing board or agency.

(b) The applicant shall be currently licensed in a state which has educational requirements that are as high as those of Kansas, and shall agree to certify in writing that he or she has read, understands, and will abide by the rules, regulations, and statutes of the state of Kansas and shall take a written or oral examination.

(c) The fee for a reciprocal license shall be as provided by statute.

(d) (63-2-4 and 63-2-5 revoked May 1, 1977.) (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1721; effective May 1, 1976; amended May 1, 1978; amended May 1, 1982.)

### Article 3.—PREPARATION AND TRANSPORTATION OF BODIES; ESTABLISHMENT LICENSE

**63-3-17. Services and merchandise pricing.** (a) Each funeral service casket shall have a card or brochure in each casket in their casket selection room, which sets forth the price of the service using that casket and listing the services and any other merchandise included in the price. Where there are separate prices for the casket, services, or the use of facilities and equipment or all of these, the card shall indicate the price of the casket and of the items separately priced.

(b) Where a funeral service establishment uses the facilities of a manufacturer, jobber, or other place where caskets are displayed for selection, the requirements shall be the same for the use of a card or brochure. It shall be the responsibility of the funeral service licensee conducting the service to place the cards or brochures in the caskets before the selection by those arranging a funeral.

(c) At the time funeral arrangements are made and before the time of performing the service or providing the merchandise or both a funeral service licensee shall give or cause to be given to the person or persons making these arrangements a written statement duly signed by a licensee or a representative of the funeral establishment. This written statement shall show:

(1) The price of the service that the family has selected and what services are included in it;

(2) The price of each of the supplemental items of service or merchandise or both requested; and

(3) The amount involved for each of the items for which the funeral director can advance monies as an accommodation to the family, insofar as any of the above items can be specified at that time. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1723; effective Jan. 1, 1974; amended May 1, 1978; amended May 1, 1982.)

**63-3-18. Requirements of the funeral home.** (a) Necessary equipment. Every funeral home shall possess and keep in good working condition on the premises any equipment that the board deems adequate for the conduct of business and the protection of the public health.

(b) Sanitary conditions. All portions of a funeral home shall be kept in a clean and sanitary condition.

(c) Preparation room.

(1) Every funeral home shall maintain on the premises a preparation or embalming room which shall be adequately equipped and maintained in a sanitary manner for the preservation and care of dead human bodies. These rooms shall contain only those articles, facilities, and instruments necessary for the preparation of dead human bodies for burial or final disposition, and shall be kept in a clean and sanitary condition. These rooms shall be used only for the care and preparation of dead human bodies.

(2) The minimal requirements for a preparation or embalming room shall be as follows:

(A) Sanitary floor (non-porous material);

(B) Adequate ventilation;

(C) Suitable and sanitary material, methods, and equipment shall be used to clean and disinfect all embalming instruments;

(D) Running hot and cold water;

(E) Exhaust fan, permanently installed and operable—this fan shall be sufficiently powerful to reduce effectively the formaldehyde concentration in the room;

(F) Sanitary plumbing connected with sewer or cesspool;

(G) Porcelain, stainless steel, metal lined, or fiber glass operating table;

(H) All opening windows and outside doors shall have opaque glass;

(I) All hydro-aspirators shall be equipped with at least one (1) air breaker; and

(J) Containers for refuse, trash, and soiled linens shall be covered or sealed at all times.

(3) Preparation room entrances shall be situated so that functions in the funeral home will not impede or interfere with entering or exiting from the room. The room shall not open into other public rooms of the funeral establishment. (Authorized by K.S.A. 74-1704; implementing K.S.A. 65-1713a and K.S.A. 65-1723; effective May 1, 1976; amended May 1, 1978; amended May 1, 1982.)

STATE BOARD OF EMBALMING

Doc. No. 000159

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 640

AN ACT relating to fire districts; concerning mill levies for Reno county.

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

Section 1. The governing body of fire district No. 2 created under the provisions of K.S.A. 19-3601 et seq., located in Reno county shall have the power to levy a tax in an amount to be determined by such governing body upon all taxable tangible property in the district for the purpose of paying compensation to fire district employees, the expenses of operating and maintaining the fire district and other legal expenses of the fire district. Whenever the governing body of the fire district determines it is necessary to increase the amount levied in the next preceding year, the governing body shall give notice of its intent to increase such levy by adopting a resolution which states the amount currently levied and the amount proposed to be levied. The resolution shall be published once each week for two consecutive weeks in a newspaper of general circulation in the fire district. If within 30 days after the last publication, a petition signed by not less than 5% of the qualified electors in the fire district is filed in the office of the county election officer requesting an election thereon no levy in an amount in excess of the amount levied in the next preceding year shall be made unless the question of the levy shall be submitted to and approved by a majority of the voters of the fire district voting at an election called by the governing body. Such election shall be called and held in the manner provided under the provisions of K.S.A. 1981 Supp. 10-120.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 10, 1982.

ROSS O. DOYEN
President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE March 29, 1982.

WENDELL LADY
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED April 6, 1982.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 6th day of April, 1982.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 675

AN ACT authorizing the state board of regents to sell and convey, for and on behalf of Emporia state university, all rights, title and interest in certain real estate located in Rice county.

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

Section 1. The state board of regents is hereby authorized and empowered, for and on behalf of Emporia state university, formerly named Emporia Kansas state college, to sell and convey by quitclaim deed all of the rights, title and interest in the following described real estate located in Rice county, Kansas: The West Half of the Southwest Quarter (W 1/2 SW 1/4) of Section One (1), Township Twenty (20) South, Range Seven (7) West of the Sixth Principal Meridian, Rice County, Kansas. The conveyance of such rights, title and interest of such real estate shall be executed in the name of the state board of regents by its chairperson and executive officer. When the sale is made, the proceeds thereof shall be delivered to the Emporia state university endowment association, inc., to be administered in accordance with the last will and testament of Viola Conner. The sale and conveyance authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 24, 1982.

ROSS O. DOYEN
President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE March 25, 1982.

WENDELL LADY
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED April 6, 1982.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 6th day of April, 1982.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 689

AN ACT amending the Kansas tort claims act; relating to the act's application to certain governmental entities; amending K.S.A. 1981 Supp. 75-6102 and repealing the existing section.

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

Section 1. K.S.A. 1981 Supp. 75-6102 is hereby amended to read as follows: 75-6102. As used in K.S.A. 1979 1981 Supp. 75-6101 to 75-6116, inclusive, unless the context clearly requires otherwise, the following words and phrases shall have the meanings respectively ascribed to them herein:

(a) "State" means the state of Kansas, or any office, department, agency, authority, bureau, commission, board, institution, hospital, college, university agency, authority, institution or other instrumentality thereof.

(b) "Municipality" means any county, township, city, school district or other political or taxing subdivision of the state, or any agency, authority, institution or other instrumentality thereof.

(c) "Governmental entity" means and includes state and municipality as hereinbefore defined state or municipality.

(d) "Employee" means any officer, employee or servant or any member of a board, commission or council of a governmental entity, including elected or appointed officials and persons acting on behalf or in service of a governmental entity in any official capacity, whether with or without compensation; but such term shall. "Employee" does not include an independent contractor under contract with a governmental entity. The term "Employee" shall does include former employees for acts and omissions within the scope of their employment during their former employment with the governmental entity.

Sec. 2. K.S.A. 1981 Supp. 75-6102 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 3, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE March 29, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 803

AN ACT authorizing the state board of education to charge fees for processing and issuing general educational development credentials.

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

Section 1. (a) The state board of education may adopt rules and regulations relating to the processing and issuance of general educational development (GED) credentials.

(b) Each application to the state board of education for issuance or duplication of general educational development credentials shall be accompanied by a fee which shall be established by the state board of education and shall be in an amount of not more than \$10. On or before July 1 of each year, commencing in 1982, the state board of education shall determine the amount of revenue which will be required to properly administer the provisions of this section during the next ensuing fiscal year, and shall establish the GED credentials processing fee for such year in the amount deemed necessary for such purposes. Such fee shall become effective on the succeeding January 1 of each year. The state board of education shall remit all moneys received by or for it from GED credentials processing fees to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury and the same shall be credited to the GED credentials processing fees fund, which fund is hereby established in the state treasury, and shall be used only for the payment of expenses connected with the processing, issuance or duplication of GED credentials, and for the keeping of records by the state department of education. All expenditures from the GED credentials processing fees fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board of education or by a person or persons designated by it.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 10, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE March 26, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2715

AN ACT concerning rules and regulations of the state board of education adopted by the board under its constitutional authority.

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

Section 1. (a) Every rule and regulation which is adopted by the state board of education pursuant to authority granted to the board under section 2 of article 6 of the constitution of the state of Kansas and which is not adopted pursuant to statutory authority of the board shall be adopted by the state board of education and filed as a rule and regulation as provided in this section.

(b) Prior to the adoption of such rule and regulation, the state board of education shall give at least 15 days' notice of its intended action in the Kansas register and hold a public hearing thereon. The notice shall be published in the Kansas register and shall contain a summary of the substance of the proposed rule and regulation along with the full text of any such rule and regulation to be considered at the hearing. Such notice shall state the time and place of the public hearing to be held thereon and the manner in which interested parties may present their views thereon. Publication of such notice in the Kansas register shall constitute notice to all parties affected by the rule and regulation. On the date of the hearing, all interested parties shall be given reasonable opportunity to present their views or arguments on adoption of the rule and regulation, either orally or in writing.

(c) The rule and regulation shall be adopted at a meeting which is open to the public and shall not be adopted unless it receives approval by roll call vote of a majority of the total membership of the state board of education.

(d) Each rule and regulation adopted by the state board of education shall be filed in duplicate with the revisor of statutes and shall indicate that such rule and regulation was adopted pursuant to authority granted to the state board of education under section 2 of article 6 of the constitution of the state of Kansas. The state board of education shall number each section with a distinguishing number. Upon filing, the revisor of statutes shall assign a distinguishing number to each section for purposes of publication in the annual supplement to the Kansas administrative regulations.

(e) All rules and regulations adopted and filed with the revisor of statutes in accordance with the provisions of this section on or before December 31 in any year shall be published in the annual supplement to the Kansas administrative regulations which is published during the next succeeding year after the year in which such rules and regulations were filed unless otherwise directed by the state rules and regulations board.

(f) As used in this section, "rule and regulation" means a standard, statement of policy, procedure or practice or general order, including amendments or revocations thereof, of general application which is adopted by the state board of education pursuant to authority granted to the board under section 2 of article 6 of the constitution of the state of Kansas and which is not adopted pursuant to statutory authority of the board.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 24, 1982.

WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE March 24, 1982.

ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

APPROVED April 7, 1982.

JOHN CARLIN  
*Governor.*

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

JACK H. BRIER  
*Secretary of State.*

(SEAL)

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2767

AN ACT relating to purchase of insurance by state agencies; concerning motor vehicles; amending K.S.A. 74-4707 and repealing the existing section.

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

Section 1. K.S.A. 74-4707 is hereby amended to read as follows: 74-4707. Every state agency shall purchase motor vehicle liability insurance for the protection and benefit of the state agency and the officers, agents and employees of the state agency responsible for the operation of vehicles owned, operated, maintained or controlled by the said agency, and of persons while riding in or upon, entering or alighting from such vehicles. The motor vehicle liability insurance policy so purchased shall provide coverage to a limit, exclusive of interests and costs, of not less than ~~twenty-five thousand dollars (\$25,000)~~ \$25,000 because of bodily injury to, or death of, one person in any one accident and, subject to the said limit for one person, to a limit of not less than ~~fifty thousand dollars (\$50,000)~~ \$50,000 because of bodily injury to, or death of, two or more persons in any one accident, and, if the accident has resulted in injury to, or destruction of property to a limit of not less than ~~five thousand dollars (\$5,000)~~ \$10,000 because of injury to, or destruction of, property of others in any one accident. The insurance purchased as provided for in this act shall be limited to the kinds of insurance hereinabove set out. *As used in this act, the term "vehicle" shall include motor vehicles, vehicles and mobile equipment.*

Sec. 2. K.S.A. 74-4707 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 19, 1982.

WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

APPROVED April 7, 1982.

JOHN CARLIN  
*Governor.*

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

JACK H. BRIER  
*Secretary of State.*

(SEAL)



(Published in the KANSAS REGISTER April 13, 1982.)

## HOUSE BILL No. 2918

AN ACT relating to publicly-owned motor vehicles; concerning information required to be printed thereon; providing for certain exceptions; amending K.S.A. 8-305 and repealing the existing section.

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

Section 1. K.S.A. 8-305 is hereby amended to read as follows: 8-305. All motor vehicles owned or leased by any political subdivision of the state of Kansas shall bear the name of the political subdivision owning such vehicle plainly printed on both sides thereof, in plain letters not less than two (2) inches in height and with not less than one-fourth (1/4) 1/4 inch stroke, together with the name of the political subdivision. This act shall not apply to the following: Municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable; and passenger vehicles used by plain clothes police officers working in the employ of any political subdivision; and motor vehicles owned or leased by any municipal university. Each motor vehicle of every political subdivision shall bear a separate serial identification number which shall follow the name of the political subdivision. Such motor vehicle, when lettering or number thereon shall become illegible, shall be relettered or renumbered as herein required in this section. Such lettering and numbering shall be on a part of the vehicle itself and not on a removable plate or placard of any kind, and shall be kept clean and visible at all times.

Sec. 2. K.S.A. 8-305 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 9, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 24, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

(SEAL) JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 3101

AN ACT relating to insurance; concerning foreign companies; amending K.S.A. 40-209 and repealing the existing section.

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

Section 1. K.S.A. 40-209 is hereby amended to read as follows: 40-209. Any insurance company organized under the laws of any other country, state or territory, upon application, may be authorized to transact business in this state, when possessed of the required amount of paid-up capital and surplus, or surplus only if a mutual company, and has made the deposit required by this code with the department of insurance of this or any other state in the United States: ~~Provided, That such.~~ The authority shall not be granted, continued, or renewed to any insurance company ~~owned or financially controlled, in whole or in part, which is controlled, as such word is defined in subsection (c) of~~

K.S.A. 40-3302, by another state of the United States or by a foreign government, or by any political subdivision of either. Every such company shall file a certified copy of its charter or deed of settlement with the commissioner of insurance, together with a statement, under oath of the president, vice-president or other chief officer and the secretary of the company for which they act, stating the name of the company, the place where located, and the amount of its capital, with a detailed statement of the facts and items required from companies organized under the laws of this state; also a copy of the last annual report, if any was made, under any law of the state or country in which such company was incorporated.

Upon the application of any such insurance company for a certificate of authority to transact business in this state, the commissioner of insurance shall ~~immediately satisfy himself~~ ~~be satisfied~~ that the company is possessed of money and other admitted assets in excess of its liabilities, as herein provided, and that it has otherwise complied with all the other requirements of this code. ~~He~~ ~~The commissioner~~ shall thereupon issue a certificate of authority to such company authorizing it to transact the classes of insurance permitted under its articles of incorporation and by the provisions of this code: ~~Provided, however, That.~~ The funds of any such insurance company, in excess of the minimum paid-up capital required by this code, may at all times be invested in such securities as are or may be authorized by the laws of the state in which such company is organized or in which it has and maintains its United States deposit: ~~Provided further, That.~~ The commissioner of insurance may, upon renewal of a certificate of authority, waive any of the above requirements except those relating to assets, capital and surplus.

Whenever any insurance company organized under the laws of any other country, state or territory is issued a certificate of authority to transact insurance in this state by the commissioner of insurance pursuant to this section, such company shall not be required to comply with the provisions of the general corporation code relating to foreign corporations, nor shall any such company be required to file with the secretary of state its articles of incorporation, charter, bylaws or other documents, or any amendments thereof, unless specifically required to do so by law.

Sec. 2. K.S.A. 40-209 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 5, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 24, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

(SEAL) JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 781

AN ACT concerning probate procedure; allowing installment sale of real property in a decedent's estate; amending K.S.A. 59-2305 and repealing the existing section.

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

Section 1. K.S.A. 59-2305 is hereby amended to read as follows: 59-2305. (a) In all cases the order shall describe the real estate to be sold, leased, or mortgaged, and may designate the sequence in which the several tracts shall be sold, leased, or mortgaged, subject to the provisions of this act.

(b) An order for sale shall direct whether the real estate shall be sold at private sale or public auction. If at private sale, it shall direct that the real estate shall not be sold for less than ~~three-fourths~~  $\frac{3}{4}$  of the appraised value. If at public auction, it shall direct the place or places of sale. It shall direct that the sale be for cash, for cash and deferred payments, or deferred payments; ~~except that in decedent's estates the payment shall not be deferred for more than one year from the date of the appointment and qualification of the executor or administrator making the sale.~~ In all cases, the order shall specify the time of payment, the interest on deferred payments; and the manner in which the payments shall be secured.

(c) An order to lease shall not be made for less than ~~three-fourths~~  $\frac{3}{4}$  of the appraised value of the leasehold interest. The order shall direct that the lease be for cash, for cash and deferred payments; or for deferred payments; or if said. If the lease is of real estate used for farming, ~~such~~ the lease may be upon a crop share basis and ~~such~~ the share shall be that recognized as standard in the community, subject to the approval of the court; and ~~such~~. In all cases, the order shall specify the time of payment, the interest on deferred payments; and the manner in which the payments shall be secured.

(d) An order to mortgage shall fix the maximum amount of principal, the maximum rate of interest; and the earliest and latest date of maturity; and shall direct the purpose for which the proceeds shall be used.

(e) An order for sale, lease or mortgage shall remain in force until terminated by the court, but no private sale or lease shall be made unless the real estate or the leasehold interest therein shall ~~have in the real estate~~ has been appraised or reappraised within six months preceding the sale or lease.

(f) If the petition and notice have included the details of a proposed transaction and the requirements of K.S.A. 59-1703 and 59-2307, and any amendments thereto, have been met, the court may confirm the proposed transaction as a part of its order to sell, lease or mortgage, and no report of sale or confirmation thereof of sale shall be required.

Sec. 2. K.S.A. 59-2305 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 10, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE April 1, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2923

AN ACT concerning postsecondary education; exempting certain institutions thereof from the requirement of approval by the state board of regents; amending K.S.A. 74-3250 and repealing the existing section.

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

Section 1. K.S.A. 74-3250 is hereby amended to read as follows: 74-3250. (a) No private institution of postsecondary education chartered, incorporated or otherwise organized and the main campus of which is located within this state shall confer or award any degree, whether academic or honorary, unless and until such institution has been approved for such purpose by the state board of regents. Approval shall be granted if the private institution of postsecondary education meets the standards established by the state board of regents. Accreditation by national or regional accrediting agencies recognized by the board of regents may be accepted as evidence of compliance with the standards for approval.

(b) The provisions of this section shall not apply to: (1) Any institution of postsecondary education which has been granted approval to confer academic or honorary degrees by the state board of education under the provisions of K.S.A. 17-6105 prior to its repeal by this act; or (2) the Kansas City college and bible school, inc.

Sec. 2. K.S.A. 74-3250 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 10, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 760

AN ACT concerning motor vehicles; registration; quarterly payment of fees; amending K.S.A. 1981 Supp. 8-143a and repealing the existing section.

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

Section 1. K.S.A. 1981 Supp. 8-143a is hereby amended to read as follows: 8-143a. The provisions of this section shall not apply to vehicles proportionally registered as part of a fleet under the provisions of K.S.A. ~~1978~~ 1981 Supp. 8-1,101 to 8-1,123, inclusive, or any agreement made by the director of vehicles, and the payment of registration fees on a quarterly basis on such vehicles shall be in accordance with K.S.A. ~~1978~~ 1981 Supp. 8-1,115. A resident owner of any truck or truck tractor, holding a negotiable Kansas title, whether individual, partnership or Kansas corporation, may at such owner's election, made at the time the annual registration fee on such truck or truck tractor is payable, pay such annual registration fee if it exceeds ~~one hundred dollars (\$100)~~ \$100, in equal quarterly installments, the first of which shall be payable at the time of such application but not later than February 15 in each year, and for each ensuing quarter thereafter shall be payable respectively on the first day of April, July and October. *The applicant shall, at the time of registration, present such applicant's negotiable Kansas title to the county treasurer, who shall send it, along with the application for registration, to the division of vehicles. The division of vehicles shall retain the title until all quarterly payments are paid in full, at which time the title shall be returned to the owner of the vehicle to which the title was issued.*

The provisions of the preceding paragraph shall not in any manner be construed to affect or reduce the amount of annual registration fee due for any truck or truck tractor subject to registration on January 1, and for which the owner shall be liable, but relate only to an alternate method of payment of the amount of fees due and affixed as of January 1 of each year. If any owner shall default in the payment of any quarterly installment payment when the same is payable, the right to operate such vehicle on the highways of this state shall terminate and it shall be unlawful to operate said vehicle on the highways of this state until the delinquent quarterly installment payment plus any penalty, shall have been paid in full.

If any owner shall fail to pay any two ~~(2)~~ quarterly payment installments during any one registration year on any truck or truck tractor registered hereunder, on or before the day the same are due and payable, such owner thereafter may be denied the privilege of the payment of annual registration fees on a quarterly basis on any vehicle. If a quarterly installment payment shall be delinquent more than ~~ten (10)~~ 10 days beyond the due date of such quarterly installment except for any case where it is determined by the director of vehicles that such delinquency is not due to negligence or intentional disregard of the provisions of this section, then the entire balance of the annual registration fee, including the delinquent quarterly installment, plus a penalty in a sum equal to ~~ten percent (10%)~~ 10% of the annual registration fee, shall become due and payable; and any such owner so delinquent may thereafter be denied the privilege of the payment of annual registration fees on any vehicle on a quarterly basis. All such fees and penalties thereon remaining unpaid shall constitute a debt due the state, which may be collected from the person owing the same by suit or otherwise. All such fees remaining unpaid after the same are due and payable and any penalties thereon shall constitute a first and prior lien in favor of the state upon the truck or truck tractor registered hereunder and all other real and personal property of the owner located within the state in the amount such fees and penalties remain unpaid. Each lien shall attach at the time such unpaid fees and penalties accrue and shall be paramount to all prior liens or encumbrances of any character and to the rights of any holder of the legal title in or to any such truck or truck tractor. When a quarterly installment is delinquent more than ~~ten (10)~~ 10 days beyond the due date, upon default of such installment payment, the county treasurer shall ~~forthwith~~ promptly file a notice of lien in the office of the register of deeds of the county where the registration fee is payable, and in any other county in which such owner has any property. A copy of ~~said~~ such notice of lien shall be mailed to the division of

vehicles, and the owner so delinquent, and the sheriff of any county in which ~~said~~ such notice of lien is filed. ~~Said~~ Such notice of lien shall set forth the name and address of the owner, the amount of fees and penalties payable and unpaid, and the description of the vehicle or vehicles to which applicable. It shall be the duty of each register of deeds in this state to index and file immediately all such notices of lien in the manner provided in cases of financing statements and no fee shall be charged for filing and indexing. The county treasurer shall issue a release of lien upon payment of all fees and penalties payable by such owner and such person may file the same with the register of deeds of any county in which such notice of lien has been filed. The county treasurer shall mail a copy of the release of lien to the division, and to the sheriff of any county where said notice of lien has been filed. If a quarterly installment payment shall be delinquent more than ~~ten (10)~~ 10 days beyond the due date of such quarterly installment, the division, shall ~~forthwith~~ promptly on such default and the filing of the notice of lien ~~aforsaid~~ issue a tax warrant to the sheriff of any county in which ~~said~~ such notice of lien has been filed and may thereafter issue further warrants as may be necessary, and such sheriff shall seize and hold all personal property subject thereto and proceed to advertise and sell the same or so much thereof as may be necessary, to satisfy the state's lien, together with all expense of selling at public sale for cash, upon such notice as is provided by law in the case of a security agreement sale.

Any surplus of the proceeds of such sale, after paying to the county treasurer, the amount of the state's lien, and the cost of the officer in giving notice of and executing said warrant computed to the same extent as in judicial sales on execution, and of securing and preserving the property pending such sale, shall be delivered to the person lawfully entitled thereto. In the event that any truck or truck tractor for which the annual registration fee is being paid quarterly shall be sold or otherwise disposed of, the entire balance remaining unpaid on such annual registration fee shall become immediately due and payable.

No certificate of title shall be assigned or transferred or new certificate of title be issued for such vehicle until all the registration fees and penalties are paid in full. In the event such vehicle shall be repossessed by the enforcement of a lien or security interest on the same, during any quarterly period for which the registration fees have not been paid, the person repossessing such vehicle or the person purchasing such vehicle at a repossession sale, may acquire a new certificate of title upon the payment of a fee equal to ~~one-fourth (1/4)~~ 1/4 of the annual registration fee of the vehicle registered hereunder, plus the regular fee prescribed by law for certificate of title. If any truck or truck tractor which is registered under the provisions of this subsection is exchanged or traded by the owner thereof for another truck or truck tractor, any registration fee and any quarterly installments which have been paid shall be applied to the registration fee due for the registration of the newly acquired vehicle. The application of any such registration fee or quarterly installment to the newly acquired vehicle shall not affect or reduce the original amount of the annual registration fee or any quarterly installment payment, for which such owner was originally liable.

The division of vehicles may call to its aid the state highway patrol or any peace officer or any duly appointed representative of the department to enforce the provisions of this section within their respective jurisdiction and it shall be the duty of such officers to do so. The remedies for enforcement and collection provided in this section are cumulative and the use of one shall not be deemed to be a waiver of the right to use any other.

Sec. 2. K.S.A. 8-143a is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 9, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

(continued)

Passed the HOUSE March 29, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 785

AN ACT concerning appearance bonds in municipal courts for traffic offenses; amending K.S.A. 12-4301 and repealing the existing section.

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

Section 1. K.S.A. 12-4301 is hereby amended to read as follows: 12-4301. A person having the right to post bond for appearance shall, in order to do so, execute in writing a promise to appear at the municipal court at a stated time and place. Such appearance bond shall be in an amount as determined by the municipal judge, and may be secured by any one of the following methods, and when so secured, said such person shall be released from custody.

The methods of securing the appearance of an accused person are as follows:

(a) Payment of cash, except that the municipal judge may permit negotiable securities or a personal check in lieu of cash.

(b) The execution of an appearance bond by a responsible individual residing within the state of Kansas, as surety with the approval of the municipal judge.

(c) A guaranteed arrest bond certificate issued by either a surety company authorized to transact such business within the state of Kansas, or an automobile club authorized to transact business in this state by the commissioner of insurance, except that such "guaranteed arrest bond certificate" must be signed by the person to whom it is issued and must contain a printed statement that the surety guarantees the appearance of such person and, in the event of failure of such person to appear in court at the time of trial, will pay any fine or forfeiture imposed upon such person not to exceed an amount to be stated on such certificate.

(d) In lieu of giving security in the manner provided by subsections (a), (b) and (c) above, if the arrest is for the violation of a city ordinance relating to the operation of a motor vehicle the accused person may deposit with the arresting law enforcement officer or the clerk of the municipal court a valid license to operate a motor vehicle in the state of Kansas in exchange for a receipt therefor issued by the law enforcement officer or the clerk of the municipal court, the form of which shall be approved by the division of vehicles of the state department of revenue. Said Such receipt shall be recognized as a valid temporary Kansas operator's license authorizing the operation of a motor vehicle by the accused person to the date of the hearing stated on the receipt. Said Such license and written copy of the notice to appear shall be delivered by the law enforcement officer to the municipal court as soon as reasonably possible. If the hearing on any such charge is continued for any reason, the municipal judge may note on the receipt the date to which such hearing has been continued, and said such receipt shall be recognized as a valid temporary Kansas operator's license, as herein provided, until such date, but in no event shall such receipt be recognized as a valid Kansas operator's license for a period longer than thirty (30) 30 days from the date

for the original hearing. Any person who deposited his or her an operator's license to secure his or her such person's appearance, in lieu of giving a bond as provided in subsections (a), (b) and (c) above, shall have such license returned upon the giving of the required bond pursuant to (a), (b) and (c) above or upon final determination of the charge.

In the event the accused person deposits a valid license to operate a motor vehicle in this state with the municipal court and thereafter fails to appear in court on the date set for appearance, or any continuance thereof, and in any event within thirty (30) 30 days from the date set for the original hearing, the municipal judge shall forward the operator's license of such person to the division of vehicles with an appropriate explanation attached thereto. Upon receipt of the operator's license of such person the division of vehicles may shall suspend such person's privilege to operate a motor vehicle in this state until such person appears before the municipal court, or the municipal court makes a final disposition thereof, and notice of such disposition is given by the municipal court to the division, or for a period not exceeding six (6) months from the date such person's operator's license is received by the division, whichever is earlier.

Any person who applies for a duplicate or new operator's license to operate a motor vehicle in this state prior to the return of his or her such person's original license, where when such license has been deposited in lieu of the giving of a bond as provided in this section, shall be guilty of a misdemeanor punishable as set forth in K.S.A. 8-2116.

Sec. 2. K.S.A. 12-4301 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 9, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE March 29, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 7, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 7th day of April, 1982.

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2769

AN ACT relating to insurance; concerning state officers and employees; relating to group accident and sickness coverage; amending K.S.A. 1981 Supp. 75-4113 and repealing the existing section.

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

Section 1. K.S.A. 1981 Supp. 75-4113 is hereby amended to read as follows: 75-4113. (a) Whenever the committee on surety bonds and insurance enters into one or more group insurance contracts on behalf of state officers and employees to provide hospitalization, medical services, surgical services or other health services or any combination thereof under authority of K.S.A. 1979 1981 Supp. 75-4108 and amendments thereto, such contract shall provide that the coverage thereof is applicable to the following:

(1) All qualified state officers and employees whether classified or unclassified, except officers and employees of the Kansas turnpike authority and district court officers and employees whose total salary is payable by counties, other than district court officers and employees in counties that have elected pursuant to K.S.A. 20-358 to have such employees covered under the same plan as other state officers and employees.

(2) State officers and employees who are lawfully on leave without pay for sickness or disability during the period thereof, not longer than that specified by applicable rules and regulations adopted under the Kansas civil service act.

(3) State officers and employees who are lawfully on leave without pay in accordance with K.S.A. 75-4403 or under policy established by the appointing authority, when such officers or employees have a definite appointment or commitment to return to state service.

(4) Retired state officers and employees who receive state warrants for retirement benefits.

(5) Retired state officers and employees who are receiving retirement benefits pursuant to K.S.A. 1979 Supp. 74-4925.

(6) Totally disabled former state officers and employees who are receiving benefits under K.S.A. 1979 1981 Supp. 74-4927.

(7) *Blind persons licensed to operate a vending facility as defined in K.S.A. 75-3338. This qualification for coverage shall also apply to dependents of blind persons and blind persons on leave for sickness or disability in accordance with procedures established by the division of services for the blind of the department of social and rehabilitation services.*

(b) Whenever the committee on surety bonds and insurance enters into one or more contracts on behalf of state officers and employees to provide health care services of a health maintenance organization under K.S.A. 1979 1981 Supp. 75-4108 and amendments thereto, such contract shall provide that the coverage thereof is applicable to such state officers and employees designated in subsection (a) as the committee determines feasible. Such coverage shall be available to such officers and employees as an alternative to group insurance coverage.

(c) Coverage under subsections (a) and (b) of this section shall be voluntary with each individual to which such subparts apply, and the entire cost thereof shall be paid by such individuals, except in the case of subpart (1). Payment of costs hereunder shall be made in accordance with procedures prescribed by the director of accounts and reports.

Sec. 2. K.S.A. 1981 Supp. 75-4113 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 19, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)  
JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 772

AN ACT concerning elections and political parties; restrictions on certain activities by certain corporations; amending K.S.A. 25-1709 and repealing the existing section.

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

Section 1. K.S.A. 25-1709 is hereby amended to read as follows: 25-1709. No corporation carrying on the business of a bank, trust, surety, indemnity, safe deposit, insurance, railroad, street railway, telegraph, telephone, gas, electric light, heat, power, or water company, or any company having the right to take or condemn land or to exercise franchises in public ways granted by the state or by any county or city, and no trustee or trustees owning or holding the majority of the stock of any such corporation, shall pay or contribute in order to aid, promote, or prevent the nomination or election of any person to public office, or in order to aid, promote or antagonize the interests of any political party, or to influence or affect the vote on any question submitted to the voters. No person shall solicit or receive such payment or contribution from such corporation or such holders of stock.

Sec. 2. K.S.A. 25-1709 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 4, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE March 30, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)  
JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2752

AN ACT relating to the taxation of motor vehicles; concerning the source of refunds and due date for payment of taxes; amending K.S.A. 1981 Supp. 79-5102 and 79-5107 and repealing the existing sections.

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

Section 1. K.S.A. 1981 Supp. 79-5102 is hereby amended to read as follows: 79-5102. (a) ~~From and after January 1, 1981~~; All motor vehicles, as defined by K.S.A. ~~1980~~ 1981 Supp. 79-5101, shall be valued and taxed under the provisions of this act and shall not be subject to property or ad valorem taxes levied under any other law of the state of Kansas or any resolution or ordinance of any taxing subdivision thereof. Taxes levied upon motor vehicles under the provisions of this act shall be due ~~and from the first day of the month immediately following the month in which the vehicle was purchased or acquired~~ and shall be payable to the county treasurer at the time of making application for the registration of motor vehicles under the provisions of article 1 of chapter 8 of the Kansas Statutes Annotated, and amendments thereto, and shall not be subject to the provisions of K.S.A. ~~1980~~ 1981 Supp. 79-2004a, and amendments thereto. Motor vehicles subject to taxation under the provisions of this act shall not be subject to the provisions of article 3 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, relating to the listing of other personal property for taxation or be included in the abstract of the assessment rolls prepared under the provisions of K.S.A. 79-1604, and amendments thereto. Taxes levied under the provisions of this act shall not be subject to the provisions of K.S.A. 79-1801, and amendments thereto.

(b) It shall be the duty of the county appraiser to value each motor vehicle, as defined by K.S.A. ~~1980~~ 1981 Supp. 79-5101, in the year 1980 but no such motor vehicle shall be placed on the tax roll for taxation purposes. In making such valuation the county appraiser shall use the valuation schedules furnished by the director of property valuation.

(c) At the time of determining the valuation of each motor vehicle in the year 1980, the county appraiser also shall classify the motor vehicle according to the schedule provided by the secretary of revenue for such purpose. Such classification shall be within the classes prescribed by K.S.A. ~~1980~~ 1981 Supp. 79-5104 and based upon the trade-in value of the motor vehicle in the year 1980, as determined from manuals furnished by the director of property valuation. Such classification shall be reported to the secretary of revenue.

Sec. 2. K.S.A. 1981 Supp. 79-5107 is hereby amended to read as follows: 79-5107. (a) ~~Except as provided in subsection (d)~~; The tax imposed by this act upon any motor vehicle, other than a motor vehicle which replaces a motor vehicle previously registered and taxed in this state and to which registration plates are transferred, which has been acquired, or brought into the state, or for any other reason becomes subject to registration after the owner's regular annual motor vehicle registration date, shall become due and payable at the time such motor vehicle becomes subject to registration under the laws of this state and the amount of tax to be paid by the owner for the remainder of the tax year shall be an amount which is equal to  $\frac{1}{12}$  of the tax which would have been due upon such motor vehicle for the full registration year, multiplied by the number of full calendar months remaining in the registration year of the owner of such vehicle. Such tax shall be paid at the time of the registration of such motor vehicle.

(b) ~~Except as provided in subsection (d)~~; The tax upon a motor vehicle, which replaces a motor vehicle previously registered and taxed in this state and to which registration plates are transferred, which is registered at any time other than the annual registration date prescribed by law for the registration of such motor vehicle, shall be in an amount equal to the amount by which: (1) ~~One twelfth~~  $\frac{1}{12}$  of the tax which would have been due upon such replacement motor vehicle for the full registration year multiplied by the number of full calendar months remaining in the registration year for such motor vehicle, exceeds (2)  $\frac{1}{12}$  of the tax which would have been due for the full registration year upon

the motor vehicle replaced multiplied by the number of full calendar months remaining in such registration year. Such tax shall be paid at the time of registration of such replacement vehicle.

(c) Whenever the tax imposed under this act has been paid upon any motor vehicle and title to such vehicle is transferred and no replacement vehicle is substituted therefor such taxpayer shall be entitled to a refund in an amount equal to  $\frac{1}{12}$  of the tax due upon such motor vehicle for the full registration year, multiplied by the number of full calendar months remaining in such registration year. Whenever the tax imposed under this act upon any replacement motor vehicle for the remainder of the registration year is less than the tax paid on the motor vehicle replaced for the remainder of such registration year, the taxpayer shall be entitled to a refund in the amount by which the tax paid upon the vehicle replaced exceeds the tax due upon the replacement vehicle. All refunds shall be paid by the county treasurer from the ~~county general fund moneys received from taxes upon motor vehicles imposed by this act which have not been distributed~~. No refund shall be made under the authority of this subsection for a sum less than ten dollars \$10.

(d) ~~No tax shall be levied upon any motor vehicle under the provisions of this act for that portion of the calendar year 1981 prior to the owners regular annual motor vehicle registration date in such calendar year. Any motor vehicle which is required to be registered during the calendar year 1981 prior to the owner's regular annual motor vehicle registration date shall be registered as required by article 1 of chapter 8 of the Kansas Statutes Annotated, and amendments thereto, and no tax shall be due or payable at the time of such registration.~~

(e) The county treasurer shall refund to any person who has paid the tax imposed by this act upon any motor vehicle for that portion of the calendar year 1981 prior to such person's regular annual motor vehicle registration date the total amount of such tax paid. All such refunds shall be paid by the county treasurer from the moneys received from taxes upon motor vehicles imposed by this act which have not been distributed.

Sec. 3. K.S.A. 1981 Supp. 79-5102 and 79-5107 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 19, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2765

AN ACT relating to insurance; concerning licensing of agents; amending K.S.A. 40-241 and repealing the existing section.

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

Section 1. K.S.A. 40-241 is hereby amended to read as follows: 40-241. If the commissioner of insurance is satisfied that the applicant for an agent's license is of good business reputation and is otherwise qualified in ~~said~~ the line of business, the applicant shall be given a written examination to determine whether ~~he~~ ~~or she~~ such applicant possesses the competence and knowledge of the kinds of insurance and transactions under the license applied for, of the duties and responsibilities of such a license; and of the pertinent provisions of the laws of this state. The applicant shall be tested on each class or subclassification of insurance which may be written. An examination fee in the amount of ~~ten dollars (\$10)~~ \$10 to be paid by the applicant shall be required for each class of insurance for each attempt to pass the examination, and such examination fee shall be in addition to the license fee required under K.S.A. 40-252, and acts amendatory thereof or supplemental thereto. There shall be three (3) classes of insurance for the purposes of this act, which are:

- (1) Life, including health and accident;
- (2) casualty and allied lines;
- (3) fire and allied lines.

The commissioner of insurance shall establish rules and regulations with respect to the scope, subclassification, type and conduct of such written examination. Examinations shall be given to applicants as follows: Class one examinations at least twice a month in Topeka, Kansas, and at least quarterly in other convenient locations in the state of Kansas; class two and three examinations monthly in Topeka, Kansas, and concurrently in other convenient locations in the state of Kansas. *The commissioner shall publish or arrange for the publication of information and material which applicants can use to prepare for such written examination. One or more rating organizations, advisory organizations or other associations may be designated by the commissioner to assist in, or assume responsibility for, distribution of the study manuals to applicants and other interested parties. Persons purchasing the study manual shall be charged a reasonable fee established or approved by the commissioner. In the event the publication and distribution of the study material is delegated to private firms, organizations or associations and the state incurs no expense or obligation, the provisions of K.S.A. 75-3738 to 75-3744, inclusive and amendments thereto, shall not apply.* If the commissioner of insurance finds that the applicant is trustworthy, competent; and has satisfactorily accomplished the written examination, the commissioner shall forthwith issue to the applicant a license as an insurance agent but the issuance of such license shall confer no authority to transact business in this state until the agent has been certified by a company pursuant to K.S.A. 40-241i. If an applicant fails to qualify for, or is refused, a license, the license fee shall be returned. The examination fee shall not be returned for any reason. No insurance agent shall be required to take an examination for continuation of ~~his~~ ~~or her~~ the agent's license for any class or subclassification of business which ~~he~~ ~~or she~~ the agent was licensed to write prior to May 1, 1963, or for which ~~he~~ ~~or she~~ the agent has previously been examined by the commissioner of insurance. The commissioner of insurance shall keep a permanent record of all agents' licenses issued and the insurance companies that the respective agents were certified to represent under such licenses for a period of ~~twenty (20)~~ 10 years.

Sec. 2. K.S.A. 40-241 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 19, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 2714

AN ACT concerning the behavioral sciences regulatory board; relating to fees for duplicate licenses for social workers and certificates for psychologists; amending K.S.A. 1981 Supp. 75-5358 and 75-5359 and repealing the existing sections.

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

New Section 1. In case of a lost or destroyed certificate of registration of a psychologist, and upon satisfactory proof of the loss or destruction thereof, the behavioral sciences regulatory board may issue a duplicate, charging a fee not in excess of \$20 for such duplicate certificate of registration.

Sec. 2. K.S.A. 1981 Supp. 75-5358 is hereby amended to read as follows: 75-5358. (a) All licenses issued shall be effective upon the date issued and shall expire at the end of ~~twenty-four (24)~~ 24 months from the date of issuance.

(b) Except as otherwise provided in K.S.A. ~~1980~~ 1981 Supp. 75-5356, a license may be renewed by the payment of the renewal fee set forth in K.S.A. ~~1980~~ 1981 Supp. 75-5359 and amendments thereto and the execution and submission of a signed statement, on a form to be provided by the board, attesting that the applicant's license has been neither revoked nor currently suspended and that applicant has met the requirements for continuing education established by the board.

(c) The application for renewal may be made within one year after the expiration of the license or upon the termination of the period of suspension.

(d) *In case of a lost or destroyed license, and upon satisfactory proof of the loss or destruction thereof, the board may issue a duplicate, charging a fee as set forth in K.S.A. 1981 Supp. 75-5359 and amendments thereto, for such duplicate license.*

Sec. 3. K.S.A. 1981 Supp. 75-5359 is hereby amended to read as follows: 75-5359. The following license and examination fees shall be established by the board by rules and regulations in accordance with the following limitations:

- (a) Renewal fee for a license as a social work associate shall be not less than \$10 nor more than \$50;
- (b) Application or renewal fee for a license as a baccalaureate social worker shall be not less than \$10 nor more than \$50;
- (c) Application or renewal fee for a license as master social worker shall be not less than \$10 nor more than \$50;
- (d) Application or renewal fee for a license in a social work specialty shall be not less than \$10 nor more than \$50;
- (e) Examination fee not more than \$50.
- (f) Duplicate license fee not more than \$20.

Sec. 4. K.S.A. 1981 Supp. 75-5358 and 75-5359 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.

(continued)

I hereby certify that the above BILL originated in the HOUSE, and passed that body February 12, 1982.

HOUSE concurred in SENATE amendments March 29, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 24, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

### STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

### HOUSE BILL No. 3011

AN ACT relating to the department of social and rehabilitation services; concerning assignments of certain rights of support; amending K.S.A. 39-754 and repealing the existing section.

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

Section 1. K.S.A. 39-754 is hereby amended to read as follows: 39-754. (a) If an assignment of support rights is deemed to have been made pursuant to K.S.A. 39-709, support payments shall be made to the department of social and rehabilitation services.

(b) If a court has ordered support payments to be made to an applicant for or recipient of financial assistance whose support rights are assigned, the secretary of social and rehabilitation services shall file a notice of the assignment with the court ordering the payments. The notice shall not require the signature of the applicant or recipient on any accompanying assignment document. The notice shall include:

- (1) A statement that the assignment is in effect;
- (2) the name of the child and the caretaker for whom support has been ordered by the court;
- (3) the number of the case in which support was ordered; and
- (4) a request that the payments ordered be made to the secretary of social and rehabilitation services. Upon receipt of the notice and without the requirement of a hearing or order, the court shall forward all support payments including those made as a result of any garnishment, contempt, attachment or release of lien process to the secretary of social and rehabilitation services until the court receives notification of the termination of the assignment.

(c) If the claim of the secretary for repayment of the unreimbursed portion of aid to families with dependent children is not satisfied when such aid is discontinued, the secretary shall file a notice of partial termination of assignment of support rights with the court which will preserve the assignment in regard to unpaid support rights which were due and owing at the time of the discontinuance of such aid. The notice shall include:

- (1) A statement that the assignment has been partially terminated;
- (2) the name of the child and the caretaker for whom support has been ordered by the court;
- (3) the number of the case in which support was ordered; and
- (4) the date the assignment was partially terminated. Upon receipt of said notice and without the requirement of a hearing or order, the court shall forward all payments made to satisfy sup-

port arrearages due and owing as of the date the assignment of support rights was partially terminated to the secretary of social and rehabilitation services until the court receives notification of the termination of the assignment.

(d) If the secretary of social and rehabilitation services or the secretary's designee has on file with the court ordering support payments, a notice of assignment of support rights pursuant to subsection (b) or a notice of partial termination of assignment of support rights pursuant to subsection (c), the secretary shall be considered a necessary party in interest concerning any legal action to enforce, modify, settle, satisfy or discharge an assigned support obligation and, as such, shall be given notice by the party filing such action. Notice shall be provided according to the rules of civil procedure.

Sec. 2. K.S.A. 39-754 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 10, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE March 25, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 8, 1982.

JOHN CARLIN  
Governor.

### STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 8th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.



(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 3027

AN ACT relating to banking; concerning certain powers thereof; concerning stock ownership of directors thereof; amending K.S.A. 9-1101 and K.S.A. 1981 Supp. 9-1117 and 9-1118 and repealing the existing sections.

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

Section 1. K.S.A. 9-1101 is hereby amended to read as follows: 9-1101. Any bank hereby is authorized to exercise by its board of directors or duly authorized officers or agents, subject to law, all such powers, including incidental powers, as shall be necessary to carry on the business of banking, and: (1) To receive deposits and to pay interest thereon at rates which need not be uniform. The state bank commissioner, with approval of the state banking board, may by regulations of general application fix maximum rates of interest to be paid on deposit accounts other than accounts for public moneys;

(2) to buy and sell exchange, gold, silver, foreign coin, bullion, commercial paper, bills of exchange, notes, and bonds;

(3) to buy and sell bonds, securities, or other evidences of indebtedness of the United States of America or those fully guaranteed, directly or indirectly, by it, and general obligation bonds of the state of Kansas or any municipality or quasi-municipality thereof, and of other states, and of municipalities or quasi-municipalities in other states of the United States of America. No bank shall invest an amount in excess of ~~fifteen percent (15%)~~ 15% of its capital and surplus in bonds, securities or other evidences of indebtedness of any municipality or quasi-municipality of any other state or states of the United States of America: (a) If and when the direct and overlapping indebtedness of such municipality or quasi-municipality is in excess of ~~ten percent (10%)~~ 10% of its assessed valuation, excluding therefrom all valuations on intangibles and homestead exemption valuation; (b) or if any bond, security, or evidence of indebtedness of any such municipality or quasi-municipality has been in default in the payment of principal or interest within ~~ten (10)~~ 10 years prior to the time that any bank acquires any such bonds, security or evidence of indebtedness;

(4) to make all types of loans, including loans on real estate, subject to the loan limitations contained in this act. Every real estate loan shall be secured by a mortgage or other instrument constituting a lien, or the full equivalent thereof, upon the real estate securing the loan, according to any lawful or well recognized practice, which is best suited to the transaction. ~~Said~~ The mortgage may secure future advances. The lien of such mortgage shall attach upon its execution and have priority from time of recording as to all advances made thereunder until such mortgage is released of record. The lien of such mortgage shall not exceed at any one time the maximum amount stated in the mortgage;

(5) to discount and negotiate bills of exchange, negotiable notes and notes not negotiable;

(6) to own a suitable building, furniture and fixtures, stock in a single trust company organized under the laws of the state of Kansas, and stock in a safe deposit company organized under the laws of the state of Kansas, and stock in a corporation organized under the laws of this state, owning only real estate all or a part of which is occupied or to be occupied by the bank. The trust company shall not at the time of the purchase of such stock be engaged in the business of receiving deposits of banks, and in the event such trust company shall thereafter receive deposits from banks such stock shall be sold within six (6) months or removed as an asset of ~~said~~ the bank, but with a limit of ~~one-half (1/2)~~ 1/2 of the capital stock and surplus of such bank upon the total of all amounts carried on its books as investments in all assets described in this subsection six (6) and advances to a corporation organized under the laws of this state owning only real estate all or a part of which is occupied or to be occupied by the bank. This limitation shall not apply to amounts carried on the books of such bank as investments made prior to July 1, 1973. The state bank commissioner may grant the bank authority to exceed such limitation. The trust company and the safe deposit company in which a bank may own stock must be located at all times in the same city or unincorporated village where the bank owning such stock is located, otherwise, the bank shall dispose of such stock immediately;

(7) to buy and sell investment securities which are evidences of indebtedness. The buying and selling of investment securities shall be limited to buying and selling without recourse marketable obligations evidencing indebtedness of any person, copartnership, association, corporation, or state or federal agency, including revenue bonds issued pursuant to K.S.A. 76-6a15 and amendments thereto or the state armory board in the form of bonds, notes ~~and/or~~ or debentures or both, commonly known as investment securities, under such further definition of the term "investment securities" as prescribed by the board, but the total amount of such investment securities of any one obligor or maker held by such bank shall at no time exceed ~~fifteen percent (15%)~~ 15% of the capital stock and surplus of such bank except that this limit shall not apply to obligations of the United States government or any agency thereof. If the obligor is a state agency including any agency issuing revenue bonds pursuant to K.S.A. 76-6a15 and amendments thereto or the state armory board, the total amount of such investment securities shall at no time exceed ~~twenty-five percent (25%)~~ 25% of the capital stock and surplus of such bank;

(8) to subscribe to, buy and own such stock of the federal national mortgage association as required by title 3, section 303 of the federal act known as the national housing act as amended by section 201 of public law No. 560, of the United States (68 Stat. 613-615), known as the housing act of 1954, or amendments thereto;

(9) to subscribe to, buy and own stock in not more than one small business investment company in Kansas as otherwise authorized by federal law, except that in no event shall any bank hold shares in such company in an amount aggregating more than ~~one percent (1%)~~ 1% of its capital and surplus. Nothing in this act contained shall prohibit any bank from holding and disposing of such real estate and other property as it may acquire in the collection of its assets;

(10) to subscribe to, buy and own stock in any agricultural credit corporation or livestock loan company, or its affiliate, organized pursuant to the provisions of the laws of the United States providing for the information and operation of agricultural credit corporations and livestock loan companies, in an amount not exceeding either the undivided profits or ~~ten percent (10%)~~ 10% of the capital stock and surplus and undivided profits from such bank, whichever is greater;

(11) to become the owner or lessor of personal property acquired upon the specific request and for the use of a customer, and may incur such additional obligations as may be incident to becoming an owner or lessor of such property. Any bank which claims a credit against its privilege tax of any amount of ad valorem taxes on property acquired pursuant to this subsection shall not be designated as a depository for any state funds by the pooled money investment board. Lease transactions shall not result in obligations for the purpose of determining limitations or restrictions on the amount of loans. Lease payments on such transactions shall be considered rents and not interest;

(12) to subscribe to, buy and own stock in minbanc capital corporation, a company formed for the purpose of providing capital to minority-owned banks. No bank's investment in such stock shall exceed ~~two percent (2%)~~ 2% of its capital and surplus;

(13) to buy, hold, and sell any type of investment securities not enumerated in this section with approval of the commissioner and upon such conditions and under such regulations as are prescribed by the state banking board;

(14) to act as escrow agent;

(15) to subscribe to, acquire, hold and dispose of stock of any class of the KBA mortgage corporation, a corporation having as its purpose the acquisition, holding and disposition of loans secured by real estate mortgages, and to acquire, hold and dispose of the debentures and capital notes of such corporation. No bank's investment in such stock, debentures and capital notes shall exceed 2% of its capital stock, surplus and undivided profits and such investment shall be carried on the books of the bank as directed by the commissioner.

Sec. 2. K.S.A. 1981 Supp. 9-1117 is hereby amended to read as follows: 9-1117. No person shall be a member of the board of

(continued)

directors or a president within the meaning of K.S.A. 1979 1981 Supp. 9-1114 and K.S.A. 9-1115, of any bank unless such person is the owner of record of common stock, having a par value of not less than five hundred dollars (~~\$500~~) \$500, in such bank or in the parent corporation of such bank. Such stock may be transferred to and held in a trust if such trust is revocable by the member or president owning such stock, but the stock shall not be pledged, hypothecated or assigned in any other way.

Sec. 3. K.S.A. 1981 Supp. 9-1118 is hereby amended to read as follows: 9-1118. Each director shall take and subscribe an oath that he or she such director will administer the affairs of such bank diligently and honestly and that he or she such director will not knowingly or willfully permit any of the laws relating to banks to be violated, and each director and the president of a bank shall swear that he or she such director or president is the owner in good faith of shares of common stock having a par value of at least five hundred dollars (~~\$500~~) \$500 of such bank or in the parent corporation of such bank standing in his or her such director's or president's name and that the same has not been pledged or assigned, except as authorized by K.S.A. 1979 1981 Supp. 9-1117, and amendments thereto. A copy of such oath shall be filed with the commissioner.

Sec. 4. K.S.A. 9-1101 and K.S.A. 1981 Supp. 9-1117 and 9-1118 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 4, 1982.

House adopted Conference Committee report April 5, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 24, 1982.

Senate adopted Conference Committee report March 31, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 12, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

HOUSE BILL No. 3009

AN ACT relating to the secretary of social and rehabilitation services; concerning location of absent parents; amending K.S.A. 39-758 and repealing the existing section.

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

Section 1. K.S.A. 39-758 is hereby amended to read as follows: 39-758. (a) State, county and local units of government, their officers and employees, shall cooperate with the secretary of social and rehabilitation services in locating absent parents and shall on request supply the secretary of social and rehabilitation services with available information about the location, employment status, income, date of birth and social security number of an absent parent including any information concerning medical or health insurance coverage for dependents.

(b) Information received by the secretary of social and rehabilitation services under this section shall be available upon request to persons authorized to receive such information in accordance with rules and regulations duly adopted by the secretary of social and rehabilitation services.

Sec. 2. K.S.A. 39-758 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 10, 1982.

HOUSE concurred in SENATE amendments March 29, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 24, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 12, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 605

AN ACT concerning child labor; relating to children employed as actors; amending K.S.A. 38-614 and repealing the existing section.

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

Section 1. K.S.A. 38-614 is hereby amended to read as follows: 38-614. For the purposes of article 6 of chapter 38 of the Kansas Statutes Annotated, or acts amendatory thereto or supplementary thereof, the following shall not be considered employment:

- (1) Children employed by their parents in nonhazardous occupations;
- (2) domestic service;
- (3) casual labor in or around a private home;
- (4) delivery or messenger work;
- (5) delivering or distributing newspapers or shopping news;
- and
- (6) agricultural, horticultural, livestock or dairying pursuits and employments incident thereto; and
- (7) children employed as actors, actresses or performers in motion pictures, theatrical, radio or television productions.

Such exempt services shall not be performed by a child attending school during hours in which the public school is in session in the district in which such child resides.

Sec. 2. K.S.A. 38-614 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 11, 1982.

SENATE concurred in HOUSE amendments April 1, 1982.  
 ROSS O. DOYEN  
*President of the Senate.*  
 LU KENNEY  
*Secretary of the Senate.*

Passed the HOUSE as amended March 31, 1982.  
 WENDELL LADY  
*Speaker of the House.*  
 GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 12, 1982.  
 JOHN CARLIN  
*Governor.*

STATE OF KANSAS  
 Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 584

AN ACT relating to the grain inspection department; concerning certain fees; amending K.S.A. 34-103a and 34-228 and repealing the existing sections.

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

Section 1. K.S.A. 34-103a is hereby amended to read as follows: 34-103a. Charges for services provided by the department. The grain inspection department shall collect from an applicant requesting services a fee for such services rendered by the department. Such fees shall be determined and set fixed by the director by rules and regulations with the approval of. Prior to determining and fixing such fees, the director shall consider recommendations thereon by the state grain advisory commission and. Such fees such charges shall be based on the cost of the services rendered. Such cost of services shall be determined by multiplying the average hourly wage paid to employees rendering such service times the number of man hours or fractions thereof

required to perform said service, plus travel, subsistence and materials costs, if any. To the total of the foregoing shall be added thirty percent (30%) to cover the cost of department administrative expense, and deductions required by law to be deposited in the state general fund, shall not be more than the amounts shown in the following fee schedule:

Inspections	Not more than
Hopper car—in or out, direct transfer	\$20.00
Hopper car—reinspection	20.00
Extra sample secured at time of original at request of applicant	5.00
New sample secured after time of original at request of applicant	7.00
Boxcar—in or out, direct transfer	10.00
Boxcar—reinspection	10.00
Extra sample secured at time of original at request of applicant	5.00
New sample secured after time of original at request of applicant	6.00
All reinspections basis official file sample	7.00
Inspection of sample obtained by mechanical spout sampler at country points—(Outside the switching limits where the department has an official inspection station) white certificate (plus sampling fee and mileage paid to sampler attendant)	5.00
Warehouse sample lot inspection—yellow certificate	10.00
Approving and check testing sampling equipment at country points and training and supervising elevator personnel—flat fee	60.00
Plus: Hourly rate	16.00
Review visits:	
Hourly rate	16.00
Stowage Examinations When Requested by Applicant	
Hopper cars and boxcars	10.00
Barges	15.00
Check testing sampling equipment at terminal points:	
Hourly rate	16.00
Minimum charge	16.00
Truck inspection—in or out	10.00
Truck—reinspection	10.00
Extra truck sample at request of applicant	5.00
Bin inspection	7.00
Barges, in or out, per 1,000 bushels or fraction	5.00
Barge reinspection, per 1,000 bushels or fraction	5.00
Submitted sample inspection	7.00
Protein analysis per sample or reinspection basis official file sample	5.00
Factor analysis only, moisture	3.00
Each approved statement requested by applicant	5.00
Duplicate certificates	3.00
DHV count	7.00
Weights	
Hopper car or boxcar—in, out, or direct transfers	8.00
Barges, in or out, per 1,000 bushels or fraction	5.00
Truck or wagonload—(in only) each	8.00
House transfers per 1,000 bushels or fraction	5.00
Weigh-up, annual, per 1,000 bushels or fraction	3.00
In-weighing, sacked cars, per manhour	16.00
Out-weighing, sacked cars, with count, per manhour	16.00
Out-weighing, sacked cars, with count and weight each sack, per manhour	16.00
Hopper scale per test	150.00
Hopper scale per F.G.I.S. test, plus hourly charge on site	150.00
Hopper scale at unofficial points, plus mileage and per diem	150.00
Mileage charge for special trips by the hopper testing scale truck, portal to portal, per mile	1.25
Labor of scale inspector for repair work outside inspector's regular inspecting or adjusting of scale, per hour	16.00
Charge per hour for sampler or weigher by special arrangement, per man	16.00

Where any service is performed in a business community where the department does not regularly maintain an inspection station, the department may charge for subsistence and transportation of personnel and equipment from the headquarters of such personnel to such point and return. Such charges as may be set under this section shall be set by adoption of rules and regulations as provided by law. The director shall have the power to fix the manner in which the charges shall be collected.

In case any persons, warehouse or railroad corporation or any of their agents or employees shall refuse or prevent the officers of the department from having access to their scales, elevators, warehouses, and other places in the regular performance of their duties in inspecting, sampling, sampling for inspection and weighing grain or other property in accordance with the tenor and meaning of this act or any law now in force or that may be enacted

(continued)

in relation to the same, such persons or corporations shall be guilty of a misdemeanor.

Sec. 2. K.S.A. 34-228 is hereby amended to read as follows: 34-228. Any person desiring to engage in business as a public warehouseman in this state shall, before the transaction of any such business, present to the director of the state grain inspection department, on a form designated by the director, a written application for a license for each separate warehouse (or in case the applicant owns more than one warehouse at one point, then all of such warehouses may be incorporated in one application) at which such person desires to do such business and the individual name and address of each person interested as principal in the business (and in case the business is operated or to be operated by a corporation, setting forth the names of the president and secretary) and further setting forth a complete certified financial statement of recent date on a blank furnished by said the director, and such further information as the director may require. Every application for a public warehouse license shall be accompanied by a license fee which shall be determined and set fixed by the director by rules and regulations with the approval of. Prior to determining and fixing such license fees, the director shall consider recommendations thereon by the state grain advisory commission. Such license fees shall not be more than the amounts shown on the following fee schedule:

Capacity in Bushels	ANNUAL FEE Not more than
1 to 100,000	\$350.00
100,001 to 150,000	375.00
150,001 to 250,000	400.00
250,001 to 300,000	425.00
300,001 to 350,000	450.00
350,001 to 400,000	475.00
400,001 to 450,000	500.00
450,001 to 500,000	525.00
500,001 to 600,000	550.00
600,001 to 700,000	575.00
700,001 to 800,000	600.00
800,001 to 900,000	625.00
900,001 to 1,000,000	650.00
1,000,001 to 1,750,000	875.00
1,750,001 to 2,500,000	1,000.00
2,500,001 to 5,000,000	1,250.00
5,000,001 to 7,500,000	1,500.00
7,500,001 to 10,000,000	1,700.00
10,000,001 to 12,500,000	1,850.00
12,500,001 to 15,000,000	2,000.00
15,000,001 to 17,500,000	2,150.00
17,500,001 to 20,000,000	2,300.00
For each 2,500,000 bushels or fraction over 20,000,000 bushels...	250.00

Whenever a licensed warehouseman purchases or acquires additional facilities, such warehouseman may, if he or she such warehouseman is otherwise qualified, acquire a license for the remainder of an unexpired license period by paying to the director a license fee computed as follows: If the unexpired license period is nine (9) months or more, the annual fee; if the unexpired license period is more than six (6) months and less than nine (9) months, seventy-five percent (75%) 75% of the annual fee; if the unexpired license period is more than three (3) months and not more than six (6) months, fifty percent (50%) 50% of the annual fee; if the unexpired license period is three (3) months or less than three (3) months, twenty-five percent (25%) 25% of the annual fee. Nothing herein contained shall be construed to authorize a refund for any unused portion of an issued license.

Every public warehouse licensee shall be entitled to one complete examination of such licensee's warehouse by the department each year, without further costs. The cost of additional examinations when requested by the warehouseman shall be charged to the warehouseman requesting such examination. The director, at the director's discretion, may make additional examinations of a warehouse and if a discrepancy is found on any such examination, or if one was found on making the last previous examination, the cost of such examination shall be paid by the warehouseman.

New Sec. 3. (a) The director of the grain inspection department is authorized and empowered to enter into contracts and agreements necessary to cooperate with the United States department of agriculture, the federal grain inspection service and with other appropriate federal agencies, to make uniform the proce-

dures followed in the official sampling, inspecting, grading, weighing and analyzing of protein content and the certification of grades, weights and protein content of all grains or commodities and to make available to the United States department of agriculture, the federal grain inspection service, or other federal agencies, the information acquired under the procedures followed by state grain inspection employees.

(b) In addition to the fees collected under K.S.A. 34-103a, and amendments thereto, the director of the grain inspection department shall undertake, by contract, to act as agent for the United States department of agriculture or other federal agencies to collect a fee for supervision, as established under the provisions of subsection (j) of 7 U.S.C.A. 79, from persons requesting such services. The supervision fee shall be remitted under the terms of the contract with the United States department of agriculture or its appropriate designee.

Sec. 4. K.S.A. 34-103a and 34-228 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 24, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE March 31, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 12, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

JACK H. BRIER  
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 539

AN ACT relating to interest rates; concerning the floating rate on real estate mortgages and contracts for deeds; amending the uniform consumer credit code; amending K.S.A. 16-207 and 16a-1-301 and repealing the existing sections.

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

Section 1. K.S.A. 16-207 is hereby amended to read as follows: 16-207. (a) Subject to the following provision, the parties to any bond, bill, promissory note or other instrument of writing for the payment or forbearance of money may stipulate therein for interest receivable upon the amount of such bond, bill, note or other instrument of writing, at a rate not to exceed ~~10%~~ 15% per annum unless otherwise specifically authorized by law.

(b) ~~The maximum rate of interest per annum for notes secured by all real estate mortgages and contracts for deed to real estate executed on or after the effective date of this act shall be at an amount equal to 1½ percentage points above the average weighted yield of mortgages accepted under the federal home loan mortgage corporation's weekly purchase program effective on the first day of each month unless otherwise specifically authorized by law. Such interest rate shall be computed for each calendar month and be effective on the first day thereof. The secretary of state shall publish notice of such maximum interest rate on the first Wednesday of each month in the official state paper. In the event the note secured by a real estate mortgage permits adjustments of the interest rate, the maximum rate of interest at the time of adjustment shall be the maximum rate of interest in effect at the time of each adjustment. The initial rate of interest upon any conventional loan evidenced by a note secured by a real estate mortgage shall not exceed the rate quoted in the application executed by the borrower on the day on which application for such conventional loan is made.~~

No penalty shall be assessed against any party for prepayment of any home loan evidenced by a note secured by a real estate mortgage made subject to the provisions of this subsection where such prepayment is made more than six months after execution of such note.

(c) ~~The lender may collect from the borrower: (1) The actual fees paid a public official or agency of the state, or federal government, for filing, recording or releasing any instrument relating to a loan subject to the provisions of this section; and (2) reasonable expenses incurred by the lender in connection with the making, closing, disbursing, extending, readjusting or renewing of loans subject to the provisions of this section.~~

(b) ~~The maximum rate of interest per annum for notes secured by all real estate mortgages and contracts for deed to real estate executed on or after the effective date of this act shall be at an amount equal to 1½ percentage points above the average weighted yield of mortgages accepted under the federal home loan mortgage corporation's weekly purchase program effective on the first day of each month unless otherwise specifically authorized by law. Such interest rate shall be computed for each calendar month and be effective on the first day thereof. The secretary of state shall publish notice of such maximum interest rate in the first issue of the Kansas register published each month. The initial rate of interest upon any conventional loan evidenced by a note secured by a real estate mortgage shall not exceed the rate quoted in the application executed by the borrower on the day on which application for such conventional loan is made.~~

(c) ~~No penalty shall be assessed against any party for prepayment of any home loan evidenced by a note secured by a real estate mortgage where such prepayment is made more than six months after execution of such note.~~

(d) ~~The lender may collect from the borrower: (1) The actual fees paid a public official or agency of the state, or federal government, for filing, recording or releasing any instrument relating to a loan subject to the provisions of this section; and (2) reasonable expenses incurred by the lender in connection with the making, closing, disbursing, extending, readjusting or renewing of loans subject to the provisions of this section.~~

(e) ~~Any person so contracting for a greater rate of interest than that authorized by this section shall forfeit all interest so contracted for in excess of the amount authorized under this section; and in addition thereto shall forfeit a sum of money, to be~~

deducted from the amount due for principal and lawful interest, equal to the amount of interest contracted for in excess of the amount authorized by this section and such amounts may be set up as a defense or counterclaim in any action to enforce the collection of such obligation and the borrower shall also recover a reasonable attorney's fee.

(e) (f) The interest rates prescribed in subsections (a) and (b) of this section shall not apply to a business or agricultural loan. For the purpose of this section unless a loan is made primarily for personal, family or household purposes, the loan shall be considered a business or agricultural loan. For the purpose of this subsection, a business or agricultural loan shall include credit sales and notes secured by contracts for deed to real estate.

(f) (g) Loans made by a qualified plan, as defined in section 401 of the internal revenue code, to an individual participant in such plan or to a member of the family of such individual participant, are not subject to the interest rates prescribed in subsections (a) and (b) of this section.

(h) ~~The interest rates prescribed in subsections (a) and (b) of this section shall not apply to a note secured by a real estate mortgage or a contract for deed to real estate where the note or contract for deed permits adjustment of the interest rate, the term of the loan or the amortization schedule.~~

Sec. 2. K.S.A. 16a-1-301 is hereby amended to read as follows: 16a-1-301. In addition to definitions appearing in subsequent articles, in K.S.A. 16a-1-101 through 16a-9-102, and amendments thereto:

(1) "Actuarial method" means the method, defined by rules adopted by the administrator, of allocating payments made on a debt between the amount financed and the finance charge pursuant to which a payment is applied first to the accumulated finance charge and the balance is applied to the unpaid amount financed.

(2) "Administrator" means the administrator designated in the article (article 6) on administration (section 16a-6-103).

(3) "Agreement" means the bargain of the parties in fact as found in their language or by implication from other circumstances including course of dealing or usage of trade or course of performance.

(4) "Amount financed" means the total of the following items:

(a) In the case of a sale, the cash price of the goods, services, or interest in land, less the amount of any down payment whether made in cash or in property traded in, and the amount actually paid or to be paid by the seller pursuant to an agreement with the buyer to discharge a security interest in, a lien on, or a debt with respect to property traded in;

(b) in the case of a loan, the net amount paid to, receivable by, or paid or payable for the account of the debtor, plus the amount of any discount excluded from the finance charge (paragraph (b) of subsection (18) of section 16a-1-301); and

(c) in the case of a sale or loan, to the extent that payment is deferred and the amount is not otherwise included and is authorized and disclosed to the customer:

(i) Amounts actually paid or to be paid by the creditor for registration, certificate of title, or license fees, and

(ii) permitted additional charges (section 16a-2-501).

(5) "Billing cycle" means the time interval between periodic billing statement dates.

(6) "Cash price" of goods, services, or an interest in land means the price at which they are offered for sale by the seller to cash buyers in the ordinary course of business and may include (a) the cash price of accessories or services related to the sale, such as delivery, installation, alterations, modifications, and improvements, and (b) taxes to the extent imposed on a cash sale of the goods, services, or interest in land. The cash price stated by the seller to the buyer in a disclosure statement is presumed to be the cash price.

(7) "Closing costs" with respect to a debt secured by an interest in land includes:

(a) Fees or premiums for title examination, title insurance, or similar purposes including surveys;

(b) fees for preparation of a deed, settlement statement, or other documents;

(c) escrows for future payments of taxes and insurance;

(continued)

- (d) fees for notarizing deeds and other documents;
- (e) appraisal fees; and
- (f) credit reports.
- (8) "Conspicuous": A term or clause is conspicuous when it is so written that a reasonable person against whom it is to operate ought to have noticed it. Whether a term or clause is conspicuous or not is for decision by the trier of fact.
- (9) "Consumer" means the buyer, lessee, or debtor to whom credit is granted in a consumer credit transaction.
- (10) "Consumer credit sale":
  - (a) Except as provided in paragraph (b), a "consumer credit sale" is a sale of goods, services, or an interest in land in which:
    - (i) Credit is granted either by a seller who regularly engages as a seller in credit transactions of the same kind or pursuant to a credit card other than a lender credit card,
    - (ii) the buyer is a person other than an organization,
    - (iii) the goods, services, or interest in land are purchased primarily for a personal, family or household purpose,
    - (iv) either the debt is payable in installments or a finance charge is made, and
    - (v) with respect to a sale of goods or services, the amount financed does not exceed \$25,000.
  - (b) A "consumer credit sale" does not include:
    - (i) A sale in which the seller allows the buyer to purchase goods or services pursuant to a lender credit card; or
    - (ii) unless the sale is made subject to K.S.A. 16a-1-101 through 16a-9-102, and amendments thereto, by agreement (section 16a-1-109), a sale of an interest in land, other than sales governed by subsection (11)(b)(iii) (10)(b)(iii) of this section, if the finance charge does not exceed 12% per year calculated according to the actuarial method on the unpaid balances of the amount financed on the assumption that the debt will be paid according to the agreed terms and will not be paid before the end of the agreed term; or
    - (iii) a sale by contract for deed of real estate the interest rate of which is governed by subsection (b) or (h) of K.S.A. 16-207, and any amendments thereto.
  - (11) "Consumer credit transaction" means a consumer credit sale, consumer lease, or consumer loan or a modification thereof including a refinancing, consolidation, or deferral.
  - (12) "Consumer lease": A "consumer lease" is a lease of goods:
    - (a) Which a lessor regularly engaged in the business of leasing makes to a person, other than an organization, who takes under the lease primarily for a personal, family or household purpose;
    - (b) in which the amount payable under the lease does not exceed \$25,000;
    - (c) which is for a term exceeding four months; and
    - (d) which is not made pursuant to a lender credit card.
  - (13) "Consumer loan":
    - (a) Except as provided in paragraph (b), a "consumer loan" is a loan made by a person regularly engaged in the business of making loans in which:
      - (i) The debtor is a person other than an organization;
      - (ii) the debt is incurred primarily for a personal, family or household purpose;
      - (iii) either the debt is payable in installments or a finance charge is made; and
      - (iv) either the amount financed does not exceed \$25,000 or the debt is secured by an interest in land.
    - (b) Unless the loan is made subject to K.S.A. 16a-1-101 through 16a-9-102, and amendments thereto, by agreement (section 16a-1-109), a "consumer loan" does not include:
      - (i) A loan secured by a first real estate mortgage; or
      - (ii) a loan secured by a second or other subordinate mortgage if the second or other subordinate mortgage is granted to the same lender as the first mortgage; or
      - (iii) a loan made by a qualified plan, as defined in section 401 of the internal revenue code, to an individual participant in such plan or to a member of the family of such individual participant.
  - (14) "Credit" means the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment.
  - (15) "Credit card" means an arrangement pursuant to which a card issuer gives a cardholder the privilege of purchasing or

leasing goods or services, obtaining loans, or otherwise obtaining credit from the card issuer or other persons.

(16) "Creditor" means the person who grants credit in a consumer credit transaction or, except as otherwise provided, an assignee of a creditor's right to payment, but, use of the term does not in itself impose on an assignee any obligation of such assignee's assignor. In the case of credit granted pursuant to a credit card, the "person who grants credit" is the card issuer and not another person honoring the credit card.

(17) "Earnings" means compensation paid or payable to an individual or for such individual's account for personal services rendered or to be rendered by such individual, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension, retirement, or disability program.

(18) "Finance charge":

(a) "Finance charge" means the sum of:

(i) All charges payable directly or indirectly by the consumer and imposed directly or indirectly by the creditor as an incident to or as a condition of the extension of credit, including any of the following types of charges which are applicable; interest or any amount payable under a point, discount or other system of charges, however denominated; time price differential, service, carrying or other charge, however denominated; premium or other charge for any guarantee or insurance protecting the creditor against the consumer's default or other credit loss; and

(ii) charges incurred for investigating the collateral or credit-worthiness of the consumer or for commissions or brokerage for obtaining the credit, irrespective of the person to whom the charges are paid or payable, unless the creditor had no notice of the charges when the credit was granted.

(b) The term does not include:

(i) Charges as a result of default, additional charges (section 16a-2-501), delinquency charges (section 16a-2-502), or deferral charges (section 16a-2-503), or

(ii) if a lender makes a loan to a debtor by purchasing or satisfying obligations of the debtor pursuant to a lender credit card and the purchase or satisfaction is made at less than the face amount of the obligation, the discount, or

(iii) closing costs as defined in section 16a-1-301(7).

(19) "Goods" includes goods not in existence at the time the transaction is entered into and merchandise certificates, but excludes money, chattel paper, documents of title, and instruments.

(20) Except as otherwise provided, "lender" includes an assignee of the lender's right to payment but use of the term does not in itself impose on an assignee any obligation of the lender with respect to events occurring before the assignment.

(21) "Lender credit card" means a credit card issued by a supervised lender.

(22) "Loan":

(a) Except as provided in paragraph (b), a "loan" includes:

(i) The creation of debt by the lender's payment of or agreement to pay money to the debtor or to a third party for the account of the debtor;

(ii) the creation of debt either pursuant to a lender credit card or by a cash advance to a debtor pursuant to a credit card other than a lender credit card;

(iii) the creation of debt by a credit to an account with the lender upon which the debtor is entitled to draw immediately; and

(iv) the forbearance of debt arising from a loan.

(b) A "loan" does not include the payment or agreement to pay money to a third party for the account of a debtor if the debt of the debtor arises from a sale or lease and results from use of either a credit card issued by a person primarily in the business of selling or leasing goods or services or any other credit card which may be used for the purchase of goods or services and which is not a lender credit card.

(23) "Merchandise certificate" means a writing issued by a seller not redeemable in cash and usable in its face amount in lieu of cash in exchange for goods or services.

(24) "Official fees" means:

(a) Fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or

(continued)

for perfecting, releasing, or satisfying a security interest related to a consumer credit sale, consumer lease, or consumer loan;

(b) premiums payable for insurance in lieu of perfecting a security interest otherwise required by the creditor in connection with the sale, lease, or loan, if the premium does not exceed the fees and charges described in paragraph (a) which would otherwise be payable.

(25) "Open end credit" means an arrangement pursuant to which:

(a) A creditor may permit a consumer, from time to time, to purchase goods or services on credit from the creditor or pursuant to a credit card, or to obtain loans from the creditor or pursuant to a credit card;

(b) the unpaid balance of amounts financed and the finance and other appropriate charges are debited to an account;

(c) the finance charge, if made, is not precomputed but is computed on the outstanding unpaid balances of the consumer's account from time to time; and

(d) the consumer has the privilege of paying the balances in installments.

(26) "Organization" means a corporation, government or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.

(27) "Payable in installments" means that payment is required or permitted by agreement to be made in (a) two or more periodic payments, excluding a down payment, with respect to a debt arising from a consumer credit sale pursuant to which a finance charge is made, (b) four or more periodic payments, excluding a down payment, with respect to a debt arising from a consumer credit sale pursuant to which no finance charge is made, or (c) two or more periodic payments with respect to a debt arising from a consumer loan. If any periodic payment other than the down payment under an agreement requiring or permitting two or more periodic payments is more than twice the amount of any other periodic payment, excluding the down payment, the consumer credit transaction is "payable in installments."

(28) "Person" includes a natural person or an individual, and an organization.

(29) "Person related to" with respect to an individual means (a) the spouse of the individual, (b) a brother, brother-in-law, sister, sister-in-law of the individual, (c) an ancestor or lineal descendant of the individual or the individual's spouse, and (d) any other relative, by blood, adoption or marriage, of the individual or such individual's spouse who shares the same home with the individual. "Person related to" with respect to an organization means (a) a person directly or indirectly controlling, controlled by or under common control with the organization, (b) an officer or director of the organization or a person performing similar functions with respect to the organization or to a person related to the organization, (c) the spouse of a person related to the organization, and (d) a relative by blood, adoption or marriage of a person related to the organization who shares the same home with such person.

(30) "Precomputed": A finance charge or consumer credit transaction is "precomputed" if the debt is expressed as a sum comprising the amount financed and the amount of the finance charge computed in advance.

(31) "Presumed" or "presumption" means that the trier of fact must find the existence of the fact presumed unless and until evidence is introduced which would support a finding of its nonexistence.

(32) "Sale of goods" includes any agreement in the form of a bailment or lease of goods if the bailee or lessee agrees to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the goods involved and it is agreed that the bailee or lessee will become, or for no other or a nominal consideration has the option to become, the owner of the goods upon full compliance with such bailee's or lessee's obligations under the agreements.

(33) "Sale of an interest in land" includes a lease in which the lessee has an option to purchase the interest and all or a substantial part of the rental or other payments previously made by the lessee are applied to the purchase price.

(34) "Sale of services" means furnishing or agreeing to fur-

nish services and includes making arrangements to have services furnished by another.

(35) "Seller": Except as otherwise provided, "seller" includes an assignee of the seller's right to payment but use of the term does not in itself impose on an assignee any obligation of the seller with respect to events occurring before the assignment.

(36) "Services" includes (a) work, labor, and other personal services, (b) privileges with respect to transportation, hotel and restaurant accommodations, education, entertainment, recreation, physical culture, hospital accommodations, funerals, cemetery accommodations, and the like, and (c) insurance.

(37) "Supervised financial organization" means a person, other than an insurance company or other organization primarily engaged in an insurance business:

(a) Organized, chartered, or holding an authorization certificate under the laws of this state or of the United States which authorize the person to make loans and to receive deposits, including a savings, share, certificate or deposit account; and

(b) subject to supervision by an official or agency of this state or of the United States.

(38) "Supervised lender" means a person authorized to make or take assignments of supervised loans, either under a license issued by the administrator (section 16a-2-301); or as a supervised financial organization (section 16a-1-301(37)) or as an agricultural credit corporation (section 16a-2-301).

(39) "Supervised loan" means a consumer loan, including a loan made pursuant to open end credit, in which the rate of the finance charge, calculated according to the actuarial method, exceeds 12% per year.

Sec. 3. K.S.A. 16-207 and 16a-1-301 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 18, 1982.

Senate adopted Conference Committee report March 31, 1982.

ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

Passed the HOUSE as amended March 17, 1982.

House adopted Conference Committee report March 30, 1982.

WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 12, 1982.

JOHN CARLIN  
*Governor.*

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 3166

AN ACT relating to annexation; prohibiting the annexation of any territory of a United States military reservation.

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

Section 1. (a) The governing body of any city shall not annex any territory of a United States military reservation.

(b) The provisions of this section shall be applicable to any annexation proceedings commencing after December 31, 1981.

(c) For purposes of this section, "military reservation" means an installation of the United States under the supervision and control of the secretary of the department of the army.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body April 7, 1982.

HOUSE concurred in SENATE amendments April 8, 1982.

WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE as amended April 8, 1982.

ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

APPROVED April 13, 1982.

JOHN CARLIN  
*Governor.*

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 13th day of April, 1982.

(SEAL)

JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER April 15, 1982.)

## HOUSE BILL No. 3117

AN ACT relating to municipal finance; concerning the distribution and allocation of certain revenues to cities and counties; amending K.S.A. 79-2961 and K.S.A. 1981 Supp. 12-192, 79-2966 and 79-3425c and repealing the existing sections.

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

Section 1. K.S.A. 1981 Supp. 12-192 is hereby amended to read as follows: 12-192. (a) All revenue received by any county treasurer from a countywide retailers' sales tax shall be apportioned among the county and each city located in such county in the following manner: (1) One-half of all revenue received by the county treasurer shall be apportioned among the county and each city located in such county in the proportion that the total tangible property tax levies made in such county in the preceding year for all funds of each such governmental unit bear to the total of all such levies made in the preceding year and (2) except as provided by paragraph (3), one-half of all revenue received by the county treasurer from such countywide retailers' sales tax shall be apportioned among the county and each city located in such county, first to the county that portion of the revenue equal to the proportion that the population of the county residing in the unincorporated area of the county bears to the total population of the county, and second to the cities in the proportion that the population of each city bears to the total population of the county or (3) one-half of all revenue received by the county treasurer of Geary county from countywide retailers' sales taxes levied in 1980 and 1981 any year shall be apportioned among the county and each city located in such county, first to the county that portion of the revenue equal to the proportion that the population of the county residing in the unincorporated area of the county less the population residing on a military reservation bears to the total population of the county less the population residing on a military reservation, and second to the cities in the proportion that the population of each city bears to the total population of the county less the population residing on a military reservation. All revenue retained by the county shall be paid into the general fund of the county.

(b) For purposes of subsection (a), the term "total tangible property tax levies" means the aggregate dollar amount of tax revenue derived from ad valorem tax levies applicable to all tangible property located within each such city or county. The ad valorem property tax levy of any county or city district entity or subdivision shall be included within this term if the levy of any such district entity or subdivision is applicable to all tangible property located within each such city or county.

(c) All revenue apportioned to the several cities of the county shall be paid to the respective treasurers thereof. Whenever the territory of any city is located in two or more counties and any one or more of such counties do not levy a countywide retailers' sales tax, or whenever such counties do not levy countywide retailers' sales taxes at a uniform rate, the revenue received by such city from the proceeds of the countywide retailers' sales tax shall be used for the purpose of reducing the tax levies of such city upon the taxable tangible property located within the county levying such countywide retailers' sales tax, except when the county which does not levy a countywide sales tax has within its bounds a portion of the Fort Riley military reservation, the city in the county which levies the tax shall be exempt from this requirement. In every other case, all revenue received by a city from the proceeds of a city or countywide retailers' sales tax shall be deposited in the general fund of such taxing subdivision.

(d) Prior to March 1 of each year, the director of taxation shall advise each county treasurer of the revenue collected in such county from the state retailers' sales tax for the preceding calendar year.

Sec. 2. K.S.A. 79-2961 is hereby amended to read as follows: 79-2961. (a) The county clerk shall certify to the county treasurer when budgets are made under pursuant to K.S.A. 79-2960, and tax levies are filed with the county clerk; the county clerk shall so certify to the county treasurer. Thereupon, and. Prior to crediting the proper amounts under subsection (c) of this section, the county treasurer shall divide the amount paid by the state treasurer to the county treasurer among the county and all of the

(continued)



tangible property tax-levying political *other taxing* subdivisions of the county (including the county as one such political subdivision); except school districts and any incorporated city within which any portion of the Fort Riley military reservation is located and which would otherwise be a participant in the Riley county allocation, that shall which comply with the requirements of this act, in the proportion that the product of the last preceding total tangible tax rate of each subdivision, times its equalized tangible assessed valuation for the preceding year, is to the sum of such products of all the tangible tax-levying political subdivisions, except school districts and any incorporated city within which any portion of the Fort Riley military reservation is located and which would otherwise be a participant in the Riley county allocation, exclusive of the levy by the county for any deficiency for state purposes.

(b) No political subdivision shall be entitled to participate in the distribution of any money appropriated to carry out K.S.A. 79-2960, and this section, unless and until such political subdivision shall have adopted and certified a budget for the ensuing year which shows as a separate item the amount of the distribution to one or more tax levy funds of general application within such subdivision (except bond and interest funds); and shall have certified a tax levy for each such fund that will produce a sum of money less than the amount which a maximum levy would produce for each such fund, in an amount equal to or in excess of the amount of such distribution. The budget of each such political subdivision also shall show that the aggregate levies made by such tangible property tax-levying political subdivisions will produce a sum less than the amount which the aggregate levy would produce in an amount equal to or in excess of the aggregate amount of the budget items of such distribution shown in the aggregate levy.

(c) In crediting the amount that has been divided pursuant to subsection (a) of this section, the county treasurer shall proceed as follows: Upon receipt of the payment from the state treasurer each year, credit the appropriate fund or funds of each political subdivision complying with the provisions of this act with its proportionate share of such payment and the county treasurer shall notify such political subdivision of the amounts so credited. This section and K.S.A. 79-2960, shall not apply to school districts.

(d) In computing a county government's share of the local ad valorem tax reduction fund under this section, the levy for the county school foundation fund shall not be used, and no distribution shall be made to such fund.

Sec. 3. K.S.A. 1981 Supp. 79-2966 is hereby amended to read as follows: 79-2966. Fifty percent (50%) of a county's entitlement from the county and city revenue sharing fund shall be the county government's share of such fund and the remaining ~~fifty percent (50%)~~ 50% shall be allocated to each city in said such county in the proportion that the population of each such city bears to the population of all such cities in the county. *Persons residing within the Fort Riley military reservation shall not be included or considered in determining the population of any city located in Riley county or Geary county.* The state treasurer shall make distributions from the county and city revenue sharing fund in accordance with the allocation formulas prescribed in the foregoing provisions of this act in quarterly installments on the dates prescribed in K.S.A. 1979 1981 Supp. 79-2964. The director of accounts and reports shall draw warrants on the state treasurer in favor of the several county treasurers and city treasurers on the dates and in the amounts determined as hereinbefore provided. *Said* The distributions shall be paid directly by mail to the several county treasurers and city treasurers who shall upon receipt of said the moneys deposit the same in their respective county or city general funds.

Sec. 4. K.S.A. 1981 Supp. 79-3425c is hereby amended to read as follows: 79-3425c. (a) On January 15, April 15, July 15 and October 15 of each year, the state treasurer shall apportion and pay to the several counties of the state ~~fifty-seven percent (57%)~~ 57% of the moneys in the special city and county highway fund, created by K.S.A. 1980 1981 Supp. 79-3425, and shall apportion and pay to the several cities of the state the remaining ~~forty-three percent (43%)~~ 43% of such moneys.

(b) The allocation and payment to each county under the provisions of this section shall be made in the following manner:

*First*, Each county of the state shall receive a payment of ~~five thousand dollars (\$5,000)~~ \$5,000;

*Second*, Of the balance remaining, ~~fifty percent (50%)~~ 50% thereof shall be apportioned and paid to each county on January 15 and April 15 of each year in the proportion that the total amount of money collected in such county from motor vehicle registration fees for the second preceding calendar year bears to the total amount of money collected in all counties from motor vehicle registration fees for the second preceding calendar year, and on July 15 and October 15 of each year in the proportion that the total amount of money collected in such county from motor vehicle registration fees for the preceding calendar year bears to the total amount of money collected in all counties from motor vehicle registration fees for the preceding calendar year;

*Third*, The remaining ~~fifty percent (50%)~~ 50% of such balance shall be apportioned and paid to each county on January 15 and April 15 of each year in the proportion that the average daily vehicle miles traveled in such county for the second preceding calendar year bears to the average daily vehicle miles traveled in all counties of the state for the second preceding calendar year, and on July 15 and October 15 of each year in the proportion that the average daily vehicle miles traveled in such county for the preceding calendar year bears to the average daily vehicle miles traveled in all counties of the state for the preceding calendar year.

*In the event that* If the total amount of money received by any county pursuant to the foregoing distribution formula and by all cities located within such county pursuant to subsection (c) of this section during the period from July 15 of any year to April 15 of the next succeeding year is less than the total amount received by such county and all cities located within such county from the county road and city street fund, the special city and county highway fund, the county and township road fund and the special motor carrier fee county road fund during the period from July 1, 1969, to June 30, 1970, plus the total amount such county and all cities located within such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing said such fund in effect on June 30, 1970, then on April 15 of each year, the state treasurer shall apportion and pay to each such county from the county equalization and adjustment fund an amount which together with the amount received pursuant to the foregoing distribution formula will equal the total amount received from the four (4) aforementioned funds during said such period of time plus the total amount such county and all cities located within such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing said such fund in effect on June 30, 1970. In the event that there is insufficient funds in the county equalization and adjustment fund to pay each such county the amount to which it is entitled, each such county shall receive a payment in the proportion that the amount to which such county is entitled bears to the amount to which all such counties are entitled. *In the event that* If there is money remaining in said such fund after such distribution, the state treasurer shall distribute the balance to the several counties in the manner provided in the second and third clauses of the foregoing formula for distributing moneys to counties from the special city and county highway fund.

All such payments shall be made to the county treasurers of the respective counties, and upon receipt of the same:

(1) The county treasurer of each county having a population of more than ~~one hundred fifty thousand (150,000)~~ 150,000, except counties designated as urban areas and counties whose total unincorporated areas comprise no more than ~~fifteen percent (15%)~~ 15% of the total area of such county, shall credit ~~fifty percent (50%)~~ 50% of the moneys so received to the road and bridge fund of such county and apportion and pay the remainder of such moneys to the several cities located in such county;

(2) The county treasurer of each county having a population of more than ~~one hundred fifty thousand (150,000)~~ 150,000 and whose total unincorporated areas comprise no more than ~~fifteen~~

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percent (15%) 15% of the total area of such county shall credit ten percent (10%) 10% of the moneys received to the road and bridge fund of such county and apportion and pay the remainder of such moneys to the several cities located in such county;

(3) The county treasurer of each county having a population of more than ~~thirty-four thousand (34,000)~~ 34,000 and not more than ~~one hundred fifty thousand (150,000)~~ 150,000 shall credit ~~ninety percent (90%)~~ 90% of the moneys so received to the road and bridge fund of such county and apportion and pay the remainder of such moneys to the several cities located in such county *except that no persons residing within the Fort Riley military reservation shall be included or considered in determining the population of any city located within Geary or Riley county;* and

(4) The county treasurer of each Johnson county having a population of not more than ~~thirty-four thousand (34,000)~~ and of each county designated as an urban area and all other counties shall credit all of the moneys so received to the road and bridge fund of such county counties.

Not less than ~~twenty-five percent (25%)~~ 25% of the amount received by each county and credited to the county road and bridge fund under the provisions of this section shall be expended by the county on mail and school bus routes on county roads as defined in K.S.A. 68-101. Payments to the cities under the provisions of this subsection (b) shall be in the proportion that the population of each city bears to the total population of all cities located in the same county as such city.

In counties which have not adopted the county-unit road system, the amount of money retained by such counties after distribution to the cities within such county pursuant to this subsection (b) shall be distributed to each township within such county in not less than the proportion that the amount of money received by each such township from the county and township road fund during the period from July 1, 1969, to June 30, 1970, bears to the total amount of money received by such county from the county and township road fund, the county road and city street funds, the special motor carrier fee county road fund and the special city and county highway fund during the period from July 1, 1969, to June 30, 1970, plus the amount such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing ~~said~~ such fund in effect on June 30, 1970. All payments to townships hereunder shall be made to the treasurers thereof, and all moneys so received shall be deposited in the general road fund of such township.

(c) The allocation and payment of moneys to the several cities of the state from the special city and county highway fund shall be in the proportion that the population of each such city bears to the total population of all cities in the state *except that the population of any military reservation which has been annexed to a city after the date of December 31, 1981, shall not be included in the population of such city for the purpose of this allocation.* All such payments shall be made to the city treasurers of the respective cities, and upon receipt of same the city treasurer of each city shall credit the same to a separate fund to be used for the construction, reconstruction, alteration, repair and maintenance of the streets and highways of such city; *except that.* Any city located in a Johnson county designated as an urban area by K.S.A. 19-2654, in order to reduce vehicular traffic and congestion on the streets and highways within such city, may use not to exceed ten percent (10%) 10% of the moneys credited to ~~said~~ such fund for the purpose of constructing, repairing and maintaining footpaths and bicycle trails within such city.

(d) For the purposes of this section, the average daily vehicle miles traveled in each county shall be as determined by the secretary of transportation, but it shall not include miles traveled on interstate highways, and the population of each city shall be as reported in the annual enumeration by the state board of agriculture for the preceding calendar year.

Sec. 5. K.S.A. 79-2961 and K.S.A. 1981 Supp. 12-192, 79-2966 and 79-3425c are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 8, 1982.

HOUSE concurred in SENATE amendments March 31, 1982.  
WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 26, 1982.  
ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 13, 1982.

JOHN CARLIN  
Governor.

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 13th day of April, 1982.

JACK H. BRIER  
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 775

AN ACT relating to planning and zoning; concerning the approval of plats submitted for the purpose of land subdivision; amending K.S.A. 12-705b and repealing the existing section.

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

Section 1. K.S.A. 12-705b is hereby amended to read as follows: 12-705b. *Whenever any such regulations governing the subdivision of land under the provisions of this act shall have been adopted, the owner or owners of any land located within the an area governed by such regulations subdividing the same into lots and blocks or tracts or parcels, for the purpose of laying out any subdivisions, suburban lots, building lots, tracts or parcels or any owner of any land establishing any street, alley, park or other property intended for public use or for the use of purchasers or owners of lots, tracts or parcels of land fronting thereon or adjacent thereto, shall cause have a plat to be made drawn which shall accurately describe describes the subdivision, lots, tracts or parcels of land giving the location and dimensions thereof or the location and dimensions of all streets, alleys, parks or other properties intended to be dedicated to public use or for the use of purchasers or owners of lots, tracts or parcels of land fronting thereon or adjacent thereto and every such plat. All plats shall be duly acknowledged verified by the owner or owners thereof. All such plats shall be submitted to the city planning commission or to the joint committee for subdivision regulation if such has been formed, which shall determine if the same plat conforms to the provisions of the subdivision regulations. If such determination is not made within sixty (60) 60 days after the plat has been submitted for consideration the first meeting of such commission or committee following the date of the submission of the plat to the secretary thereof, such plat shall be deemed to have been approved and a certificate shall be issued by the secretary of the planning commission or joint committee upon demand. If the planning commission or joint committee shall find finds that the plat does not conform to the requirements of the subdivision regulations, it shall notify the owner or owners of such fact. If the plat conforms to the requirements of such regulations, there shall be endorsed thereon the fact that it has been submitted to and approved by the city planning commission or joint committee. The governing body shall approve or disapprove the dedication of land for public purposes within 30 days after the first meeting of the governing body following the date of the submission of the plat to the clerk thereof. The governing body may defer action for*

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an additional 30 days for the purpose of allowing for modifications to comply with the requirements established by the governing body. No additional filing fees shall be assessed during that period. If the governing body defers or disapproves such dedication, it shall advise the commission or committee of the reasons therefor. The planning commission or joint committee may establish a scale of reasonable fees to be paid in advance to the secretary of the planning commission or joint committee by the applicant for approval for each plat filed with the planning commission or joint committee. No building permit shall be issued for the construction of any structure upon any lot, tract or parcel of land located within the area governed by the subdivision regulations that has been subdivided, resubdivided or replatted after the date of the adoption of such regulations by the governing body or governing body and board of county commissioners but which has not been approved in the manner provided by this act. Any regulations adopted by a governing body with reference to subdividing lots shall provide for the issuance of building permits on lots divided into not more than two (2) tracts without having to replat said the lot, provided that the resulting tracts shall not again be divided without replatting. *Provided, That* Such regulations shall provide that lots zoned for industrial purposes may be divided into two (2) or more tracts without replatting such lot. Such regulations shall contain procedure for issuance of building permits on divided lots which shall take into account the need for adequate street rights-of-way, easements, improvement of public facilities, and zoning regulations if in existence. The regulations shall provide for a procedure which shall specify specifies a time limit within which action shall be taken, and shall further provide, where applicable, for the final decision on the issuance of such building permit to be made by the governing body, except as may be provided by law. The register of deeds shall not file any plat as provided by law until such plat shall bear the endorsement hereinbefore provided and the land dedicated to public purposes has been approved by the governing body.

Sec. 2. K.S.A. 12-705b is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 10, 1982.

SENATE concurred in HOUSE amendments April 2, 1982.  
ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

Passed the HOUSE as amended April 1, 1982.  
WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 12, 1982.

JOHN CARLIN  
*Governor.*

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

JACK H. BRIER  
*Secretary of State.*

(SEAL)

(Published in the KANSAS REGISTER April 15, 1982.)

SENATE BILL No. 793

AN ACT amending the Kansas retailers' sales tax act; increasing the amount contained in the sales tax refund fund; amending K.S.A. 1981 Supp. 79-3620 and repealing the existing section.

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

Section 1. K.S.A. 1981 Supp. 79-3620 is hereby amended to read as follows: 79-3620. (a) All revenue collected or received by the director of taxation from the taxes imposed by this act shall be deposited daily with the state treasurer. The state treasurer shall credit all revenue received from this act, less amounts withheld as provided in subsection (b), to the state general revenue fund of the state.

(b) A revolving refund fund, designated as "sales tax refund fund" not to exceed one hundred thousand dollars (\$100,000) \$100,000 shall be set apart and maintained by the director from sales tax collections and estimated tax collections and held by the state treasurer for prompt payment of all sales tax refunds including refunds authorized under the provisions of K.S.A. 1978 1981 Supp. 79-3635. Said Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act. In the event such fund as established by this section is, at any time, insufficient to provide for the payment of refunds due claimants thereof, the director shall certify the amount of additional funds required to the director of accounts and reports who shall promptly transfer the required amount from the state general fund to the sales tax refund fund, and notify the state treasurer, who shall make proper entry in the records.

Sec. 2. K.S.A. 1981 Supp. 79-3620 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 10, 1982.

SENATE concurred in HOUSE amendments April 2, 1982.  
ROSS O. DOYEN  
*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

Passed the HOUSE as amended March 30, 1982.  
WENDELL LADY  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 12, 1982.

JOHN CARLIN  
*Governor.*

STATE OF KANSAS  
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

JACK H. BRIER  
*Secretary of State.*

(SEAL)

(Published in the KANSAS REGISTER April 15, 1982.)

## SENATE BILL No. 563

AN ACT concerning municipal bonds; amending K.S.A. 1981 Supp. 10-106 and 10-1009 and repealing the existing sections.

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

Section 1. K.S.A. 1981 Supp. 10-1009 is hereby amended to read as follows: 10-1009. Whenever a rate of interest is authorized to be fixed in any act of which this act is amendatory upon any bond or other obligation of any municipal or taxing subdivision of the state of Kansas, including interest upon bonds constituting a general obligation of and backed by the full faith and credit of a municipal or taxing subdivision; The maximum stated rate of interest may be fixed in any amount not exceeding twelve percent (12%) a year which may be fixed on bonds issued by a municipality or taxing subdivision of the state of Kansas shall be determined on the day the bonds are sold and shall not exceed the 20 bond index of tax exempt municipal bonds published by the weekly Bond Buyer, in New York, New York on the Monday next preceding the day on which the bonds are sold, plus 2%.

The maximum rate of interest specified in this section shall be applicable to obligations bonds issued after the effective date of this act pursuant to proceedings initiated either before or after the effective date of this act.

Sec. 2. K.S.A. 1981 Supp. 10-106 is hereby amended to read as follows: 10-106. Municipal bonds shall be sold at public sale as follows: The officers having charge of the sale of the bonds shall publish a notice of the sale one time in a newspaper having general circulation in the county where the bonds are issued, and in the Kansas register and in a newspaper designated by the secretary of state, which is printed and published in Topeka, Kansas. Except for the notice published in the Kansas register, the notice shall be published not less than 10 days nor more than 30 days before the sale and shall contain the following information: (a) The date, time and place at which a public auction will be held or at which written sealed bids will be received and considered for the sale of the bonds for cash at not less than par and accrued interest; (b) the date of issue, total par value and denomination of the bonds being sold; (c) the dates and amounts of maturities of the bond issues; (d) the dates on which interest on the bonds shall become due and payable; (e) the place or places where and the approximate date on which the bonds being sold will be delivered to the purchaser; (f) a statement that a good faith deposit in the form of a certified or cashier's check in the amount of 2% of the total par value of the bonds being sold shall accompany each bid or in the case of public sale at auction the same shall be furnished by each bidder; (g) a statement disclosing whether or not the purchaser of the bonds will be required to pay for the printing thereof and whether or not and to what extent the purchaser of the bonds will be required to pay the expense of legal services rendered to the municipality in connection with the issuance of the bonds including the fees of recognized bond counsel for an opinion as to legality of issuance; (h) the assessed valuation of the municipality; and (i) the total bonded indebtedness of the municipality as of the date on which the bonds being sold are dated including the bonds submitted for bid. The rate of interest may be omitted in advertising and the bidders requested to specify the lowest interest rate or rates on the bonds at which they will pay not less than par and accrued interest.

If sold at public sale with sealed bids, purchasers shall submit their bids in writing, sealed, for all or any part of the bonds, and each bid shall be accompanied by a certified check for 2% of the total amount of the bid. In case any purchaser, whose bid is accepted, shall fail to carry out the contract, the deposit shall be forfeited to the municipality issuing the bonds. Sealed bids shall be opened publicly and only at the time and place specified in the notice. At the time and place specified, the bonds shall be sold to the highest and best bidder or bidders, and the bonds may be allotted among the bidders, however, any or all bids may be rejected. No contract for the sale of the bonds shall be made except on bids submitted as provided in this section. No bonds shall be delivered to any purchaser until the amount of the bid is placed in the hands of the officer in charge of the sale. The provisions of this section relating to the public sale of bonds shall not apply to bonds secured solely and only by revenues, bonds

sold, pursuant to written agreement, to the government of the United States of America or any bureau, department, instrumentality or agency thereof, and bond sales where the total amount of the issue does not exceed \$100,000. In such cases, the bonds may be sold at public or private sale as the officers having charge of the sale of such bonds shall determine. The practice of providing more than one issue within a twelve-month period for any one project is prohibited unless the project engineer or architect certifies that it is necessary to do so for the orderly construction progress of the project.

Sec. 3. K.S.A. 1981 Supp. 10-106 and 10-1009 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 24, 1982.

SENATE concurred in HOUSE amendments April 5, 1982.

ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

Passed the HOUSE as amended April 2, 1982.

WENDELL LADY  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

APPROVED April 12, 1982.

JOHN CARLIN  
Governor.

## STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of April, 1982.

(SEAL)

JACK H. BRIER  
Secretary of State.

## State of Kansas

## SECRETARY OF STATE

## NOTICE

Pursuant to the provisions of 1982 Senate Bill 563, Section 2, I hereby designate the Topeka Capital-Journal, a newspaper which is printed and published in Topeka, Kansas, as the newspaper in which publications shall be made pursuant to that act.

Done at the City of Topeka, this fifteenth day of April, A.D. 1982.

JACK H. BRIER  
Secretary of State

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