

# KANSAS REGISTER

State of Kansas

**JACK H. BRIER**  
Secretary of State

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December 9, 1982

Pages 1299-1312

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State of Kansas

**LEGISLATURE**  
**INTERIM AGENDA**

Following is a listing of meetings which are scheduled for the period of December 13 through December 24, 1982. All meetings are to be held in the Statehouse in Topeka unless otherwise indicated.

DATE	ROOM	TIME	COMMITTEE	AGENDA
Dec. 13	Room C, Branch Court House, 6000 Lamar, Mission, Kansas	7:00 P.M.	Johnson County Legislative Delegation	Local Legislative Matters.
Dec. 14	531-N	10:00 A.M.	Social and Rehabilitation Services Review Commission	Action on Report and Bill Drafts.
Dec. 16	123-S	10:00 A.M.	Joint Committee on	1st Day: Regents Institutions Capital Improvements.
Dec. 17	123-S	9:00 A.M.	State Building Construction	2nd Day: Capital Improvement Requests Not Previously Considered.
Dec. 17	527-S	10:00 A.M.	Joint Committee on Special Claims Against the State	Hearings on Claims Filed to Date.
Dec. 20	123-S	10:00 A.M.	Joint Committee on	Agenda Unavailable.
Dec. 21	123-S	9:00 A.M.	Administrative Rules and Regulations	

**WILLIAM R. BACHMAN**  
Director of Legislative  
Administrative Services

Doc. No. 000820

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Carol A. Bell  
Publications Director

## State of Kansas

**KANSAS PUBLIC DISCLOSURE  
COMMISSION****NOTICE OF COMMISSION MEETING**

The Kansas Public Disclosure Commission will hold its monthly meeting on Wednesday, December 15, 1982, at 109 West 9th, Topeka, Kansas, Room 504, at 9:00 a.m. For a copy of the meeting agenda call 913-296-4219.

CAROL E. WILLIAMS  
Commission's Administrative Assistant

Doc. No. 000824

## State of Kansas

**DEPARTMENT OF  
HEALTH AND ENVIRONMENT****PUBLIC NOTICE**

A Certificate of Need application from the Humphrey Medical Clinic and Tumor Institute to develop an ambulatory surgical center in Johnson County, Kansas, has been filed for review by the Kansas Department of Health and Environment, and is now available for public comment. Interested persons should contact the Office of Health Planning, Forbes Field, Topeka, Kansas 66620.

JOSEPH F. HARKINS  
Secretary

Doc. No. 000811

## State of Kansas

**DEPARTMENT OF  
HEALTH AND ENVIRONMENT****PUBLIC NOTICE**

A Certificate of Need Application from Stormont-Vail Regional Medical Center for a whole body computed tomography scanner has been approved by the Kansas Department of Health and Environment. This application shall become effective on December 22, 1982, unless appealed to District Court of Shawnee County and shall be valid for one year.

A Certificate of Need Application from Shawnee Mission Medical Center for a 28-bed free-standing alcoholism rehabilitation unit has been denied by the Kansas Department of Health and Environment. This decision will become effective on December 22, 1982, unless appealed to the District Court of Johnson County.

JOSEPH F. HARKINS  
Secretary

Doc. No. 000819

## State of Kansas

**SOCIAL AND REHABILITATION SERVICES  
STATE PLANNING COUNCIL ON  
DEVELOPMENTAL DISABILITIES  
SERVICES****NOTICE OF MEETING**

The Kansas Planning Council on Developmental Disabilities will hold a meeting on Thursday, December 16, 1982, in the Staff Development Conference Room, Topeka State Hospital, from 9:00 a.m. to 4:00 p.m.

JANET SCHALANSKY  
Executive Secretary

Doc. No. 000823

## State of Kansas

**LEGISLATIVE DIVISION OF POST AUDIT****INVITATION FOR BIDS**

Sealed bids on a Legislative Division of Post Audit Invitation for Bid on an audit of two block grants at the Kansas Department of Social and Rehabilitation Services, Topeka, Kansas, will be received until 1:00 p.m. December 23, 1982.

Copies of the Invitation for Bid may be obtained from Vicky S. West, Senior Auditor, Legislative Division of Post Audit, 109 W. 9th Street, Suite 301, Topeka, Kansas 66612.

RICHARD E. BROWN  
Legislative Post Auditor

Doc. No. 000812

## State of Kansas

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

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

MONDAY, DECEMBER 20, 1982

#52222

Department of Transportation—DRILLS, for Chanute and Garden City areas

#52223

Kansas State University, Manhattan—MANLIFT

#52224

Department of Economic Development, Topeka—COMPUTER MAILING SERVICE

#52227

Department of Transportation, Topeka—AUTOMATIC TRANSMISSION FLUID

#52228

University of Kansas Medical Center, Kansas City—RADIOGRAPHIC/UROLOGICAL SYSTEM

(continued)

#52229

Kansas State University, Manhattan—MICRO-COMPUTER EQUIPMENT

#52230

Kansas Correctional Industries, Lansing—DISPOSAL OF HAZARDOUS WASTE

#52231

Kansas State University, Manhattan—METAL KITCHEN BASE AND WALL CABINETS AND SINK TOPS

#52239

Department of Revenue, Topeka—DRY WAXED KRAFT PAPER, for Center Industries, Wichita

TUESDAY, DECEMBER 21, 1982

#25392

Statewide—CUT AND WRAPPED OFFICE PAPERS AND COPIER PAPERS

#25394

Statewide and University of Kansas Medical Center, Kansas City—LABORATORY CHEMICALS

#25410

University of Kansas Medical Center, Kansas City—MISCELLANEOUS BEVERAGES

#A-3605(c)

Topeka State Hospital, Topeka—SWIMMING POOL ADDITION, of the Slagle Education and Activity Center

#A-4457

Fort Hays State University, Hays—BOOKSTORE IMPROVEMENTS, for Memorial Union

WEDNESDAY, DECEMBER 22, 1982

#25343-A

Kansas State Agencies—BOILER INSURANCE

#52237

Department of Social and Rehabilitation Services, Topeka—CONTINUOUS FORMS-FP-T-SCANNABLE

#52238

University of Kansas Medical Center, Kansas City—SPECIAL PHYSIOLOGICAL RECORDING SYSTEM

#52240

Kansas Highway Patrol, Topeka—BREATH ANALYSIS EQUIPMENT

#52241

Kansas Correctional Industries, Lansing—BLANKET LINING FABRIC FOR JACKETS, for Kansas Correctional Industries in Hutchinson

#52244

Topeka State Hospital, Topeka—EMERGENCY SUPPLY BATTERIES

TUESDAY, FEBRUARY 1, 1983

#52234

University of Kansas, Lawrence—SALE OF: STUDIO ORGAN

NICHOLAS B. ROACH  
Director of Purchases

Doc. No. 000822

State of Kansas

SECRETARY OF STATE

NOTICE OF APPOINTMENT  
OF STATE REPRESENTATIVE

A new State Representative has been appointed to represent the 49th district, filling the vacancy created by the recent appointment of E. Francis Gordon to the State Senate.

The new Representative, who will serve out the unexpired term and has also been elected to the regular term beginning January 10, 1983, is: Don Sallee; Route 2, Box 79; Troy 66087. He is a farmer.

JACK H. BRIER  
Secretary of State

State of Kansas

SECRETARY OF STATE

KANSAS PUBLIC  
DISCLOSURE COMMISSION

Advisory Opinion No. 82-23

Written November 17, 1982 to David H. M. Gray, Gragert, Hiebert and Gray, Suite 920, Century Plaza Building, 111 West Douglas, Wichita, Kansas 67202.

This opinion is in response to your letter of October 28, 1982, in which you request an opinion from the Kansas Public Disclosure Commission, formerly the Governmental Ethics Commission.

We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 75-4301 et seq. and K.S.A. 46-215 et seq., the latter sections not applying to your questions. Thus, whether some other common law, statutory system, or state or federal regulation applies to your question is not covered by this opinion.

You advise us that you have been hired by a school district to be a hearing examiner to conduct hearings in special education cases. You also state that a partner in your law firm might seek election to the school board.

We understand you to ask whether it would be a conflict of interest for you to serve as a hearing officer employed by the school district during a term when your partner served on the school board.

K.S.A. 75-4304 applies to your question. That section states:

No public officer or employee shall in his or her capacity as such officer or employee, make or participate in the making of a contract with any person or business by which he or she is employed or in whose business he or she has a substantial interest, and no such person or business shall enter into any contract where any public officer or employee, acting in such capacity, is a signatory to or a participant in the making of such contract and is employed by or has a substantial interest in such person or business. A public officer or employee does not make or participate in the making of a contract if he or she abstains from any action in regard to the contract.

(continued)

This section shall not apply to the following:

- (1) Contracts let after competitive bidding has been advertised for by published notice; and
  - (2) Contracts for property or services for which the price or rate is fixed by law.
- (b) Any public officer or employee who is convicted of violating this section shall forfeit his or her office or employment.

Assuming for the purposes of this opinion that your partner has a "substantial interest" in the law firm as that phrase is defined in K.S.A. 75-4301, it is our opinion that he must abstain in his capacity as a public officer for any decisions relating to the contracting with you to serve as a hearing officer. So long as that abstention is followed, the fact that he serves on the school board during your service as a hearing examiner does not constitute a conflict of interest under the above section.

#### Advisory Opinion No. 82-24

Written November 17, 1982 to Raylene Smith, Healthy Start Visitor, Franklin County Health Department, Ransom Memorial Hospital, Ottawa, Kansas 66067.

This opinion is in response to your letter of November 4, 1982, to the Kansas Public Disclosure Commission.

We note at the outset that the Commission's jurisdiction in this matter is limited to the application of K.S.A. 46-215 et seq. and K.S.A. 75-4301 et seq. Thus whether some other common law, statutory system, or rules and regulations apply to your question is not covered by this opinion.

We understand you request this opinion in your capacity as a Healthy Start Visitor employed by the Franklin County Health Department. You advise us that you have also been hired by the State of Kansas to work on a part-time basis as a Family Support Worker.

We understand you to ask whether you may serve in both positions at the same time.

We have reviewed both K.S.A. 75-4301 et seq. as it relates to your position with the county and K.S.A. 46-215 et seq. as it relates to your position with the State. It is our opinion that neither law prohibits you from the dual employment you have described.

We would note, however, that under certain circumstances, especially involving contracts between the State and the county, you may have to abstain from acting in one or the other capacity. If you have any questions concerning these circumstances, please contact our staff for guidance.

#### Advisory Opinion No. 82-25

Written November 17, 1982 to the Honorable John F. (Jack) Shriver, Representative, Seventy-Ninth District, Cowley County, 115 North B, Arkansas City, Kansas 67005.

This opinion is in response to your letter of June 10, 1982, to the Attorney General which was directed to this office for response on August 26, 1982.

We note at the outset that the Commission's jurisdiction is limited in this case to the application of K.S.A. 46-215 et seq. Thus, whether some other common law or statutory system applies to your question is not covered by this opinion.

We understand you request this opinion on behalf of the Kansas Trooper Association which is an unincorporated association comprised of members of the Kansas Highway Patrol who are state employees. You advise that the association is contemplating the publication of a magazine, brochure or other publication and in connection therewith, selling advertising or subscriptions to the publication. We assume from your letter that the persons being sought to purchase advertising or subscriptions may include persons or entities who have contractual negotiations with the Kansas Highway Patrol or are otherwise specially concerned with the functioning of the Patrol.

You advise us that the members of the Patrol participating in the venture will not directly solicit either the advertising or the subscriptions. Rather, the association would enter into an agreement with a publisher who would handle advertising and subscriptions.

Based on this factual situation you ask whether the proposal for producing the magazine, brochure or publication and the solicitation of advertising or subscriptions would be prohibited by K.S.A. 46-236.

K.S.A. 46-236 states:

No state officer or employee or candidate for state office shall solicit any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality, or service from any person known to have a special interest, under circumstances where such officer, employee or candidate knows or should know that the major purpose of the donor in granting the same could be to influence the performance of the official duties or prospective official duties of such officer, employee or candidate.

Except when a particular course of official action is to be followed as a condition thereof, this section shall not apply to (1) any contribution reported in compliance with the campaign finance act; (2) a commercially reasonable loan or other commercial transaction in the ordinary course of business; or (3) any solicitation for the benefit of any charitable organization which is required to file a registration statement with the secretary of state pursuant to K.S.A. 17-1740 or which is exempted from filing such statement pursuant to K.S.A. 17-1741 or for the benefit of any educational institution or such institution's endowment association, if such association has qualified as a nonprofit organization under paragraph (3) of subsection (c) of section 501 of the internal revenue code of 1954, as amended.

We have reviewed K.S.A. 46-236 and based on the facts of this case where there is an existing independent association of State employees, which association is acting on its own behalf, and where actual solicitations are not conducted by State employees, that the situation you have described is not prohibited by K.S.A. 46-236.

LINDA ELROD, Vice-Chairwoman  
By Direction of the Commission

Filed with the Secretary of State November 19, 1982.

Doc. No. 000818

State of Kansas

PARK AND RESOURCES AUTHORITY

TEMPORARY ADMINISTRATIVE REGULATIONS

(Approved by the State Rules and Regulations Board November 23, 1982. Will expire May 1, 1983.)

33-1-16. Animals. Animals and all livestock shall be prohibited. Pets shall be permitted when secured on a handheld leash less than 10 feet in length or contained within a camping conveyance, vehicle, or cage. Pets shall not be allowed on bathing beaches, either in the water or on shore, or in any public facility, except for dogs to assist the blind or hearing impaired as authorized by K.S.A. 39-1102 and L. 1982, Ch. 184. Horses shall be ridden only on bridle paths or other designated areas. (Authorized by and implementing K.S.A. 1981 Supp. 74-4510, as amended by L. 1982, Ch. 317, Sec. 1; effective Jan. 1, 1966; amended T-83-39, Nov. 23, 1982.)

33-1-17. Firearms. Firing of firearms, explosives, air guns, and other weapons shall be prohibited unless otherwise posted by the authority. (Authorized by and implementing K.S.A. 1981 Supp. 74-4510, as amended by L. 1982, Ch. 317, Sec. 1; effective Jan. 1, 1966; amended T-83-39, Nov. 23, 1982.)

33-2-2. Special permits or passes.

(a) Upon application to, and approval by, the state park director or the director's designated representative, an annual complimentary motor vehicle park permit may be issued to residents of Kansas age 65 years and older. Applicants for the complimentary permit shall present proof of residence, age, and ownership of the motor vehicle to which the complimentary motor vehicle park permit will be affixed. Acceptable proof of residence shall be a current, valid Kansas motor vehicle registration for the vehicle on which the complimentary motor vehicle park permit will be affixed.

(b) Upon application to, and approval by, the state park director or the director's designated representative, an annual complimentary motor vehicle park permit may be issued to disabled residents of Kansas. Applicants for such a permit shall present proof of residence, disability as defined in K.S.A. 1981 Supp. 79-4502(g), and ownership of the motor vehicle to which the complimentary motor vehicle park permit will be affixed. Acceptable proof of disability shall be: (1) a copy of a social security, veteran's administration, railroad retirement, civil service, or other employer's certification of disability; or (2) a certificate of disability by a duly licensed Kansas physician on a prescribed form available from the Kansas park and resources authority, 503 Kansas Avenue, post office box 977, Topeka 66601, or from a state park office. Acceptable proof of residence shall be as defined in section (a).

This regulation shall take effect on January 1, 1983. (Authorized by and implementing K.S.A. 1981 Supp. 74-4509b, as amended by L. 1982, Ch. 316, Sec. 1; effective Jan. 1, 1966; amended Jan. 1, 1974; amended E-77-35, July 1, 1976; amended Feb. 15, 1977; amended May 1, 1980; amended T-83-39, Nov. 23, 1982.)

33-2-4. Schedule of motor vehicle permit fees.

One-day Temporary Motor Vehicle Permit (valid only in the park where purchased; expires at 10 a.m. on day following purchase)	\$ 2.00
Annual Motor Vehicle Permit (for calendar year)	\$15.00
Second Car Permit (with Annual Motor Vehicle Permit; for one additional vehicle of same owner; for calendar year)	\$ 3.00
Duplicate Permit (to replace lost, stolen, or damaged Annual Motor Vehicle Permit)	\$ 1.00

This regulation shall take effect on January 1, 1983. (Authorized by and implementing K.S.A. 1981 Supp. 74-4509b, as amended by L. 1982, Ch. 316, Sec. 1; effective T-83-39, Nov. 23, 1982.)

33-3-3. Schedule of fees and charges.

Overnight Camping (per night-per unit)	\$ 2.00
Overnight Camping with utility charge for electricity (per night-per unit)	\$ 4.00
Overnight Camping with utility charge for electricity, water, and sewer hookup (per night-per unit)	\$ 5.00
Annual Camping Fee for calendar year (in lieu of \$2.00 Overnight Camping Fee)	\$ 25.00
Duplicate Annual Camping Fee (to replace lost, stolen or damaged Annual Camping Fee)	\$ 1.00
Utility charge for electricity (per night-per unit) with Annual Camping Fee	\$ 2.00
Utility charge for electricity, water, and sewer hookup (per night-per unit) with Annual Camping Fee	\$ 3.00
Annual charge for private boat docks	\$ 10.00
Towing fee for towing boat docks and other watercraft	\$ 10.00
Annual rental for private cabin sites	\$100.00
Annual rental for club and organization cabin sites	\$150.00

This regulation shall take effect on January 1, 1983. (Authorized by and implementing K.S.A. 1981 Supp. 74-4510, as amended by L. 1982, Ch. 317, Sec. 1; effective January 1, 1966; amended E-77-26, May 1, 1976; amended February 15, 1977; amended May 1, 1980; amended T-83-13, July 1, 1982; amended T-83-39, Nov. 23, 1982.)

33-3-4. Definitions. For the purposes of K.A.R. 33-3-3, "camping unit" shall mean one camping entity or conveyance in which people sleep; or, for a family (residing together in one residence), an unspecified number of camping conveyances occupying one camping site, with at least one parent or legal guardian, and dependent children if present. (Authorized by and implementing K.S.A. 1981 Supp. 74-4510, as amended by L. 1982, Ch. 317, Sec. 1; effective T-83-39, Nov. 23, 1982.)

LYNN BURRIS, JR. Director

Doc. No. 000816

State of Kansas

**OFFICE OF THE SECURITIES  
COMMISSIONER**
**TEMPORARY ADMINISTRATIVE REGULATIONS**

(Approved by the State Rules and Regulations Board November 23, 1982. Will expire May 1, 1983.)

**81-5-3. Isolated transaction exemption.** A security or securities shall be deemed to have been offered and sold in an isolated transaction pursuant to K.S.A. 17-1262(a) as amended by L. 1982, ch. 99, sec. 2, provided:

(a) the aggregate number of sales by the seller in Kansas in the twelve-month period ending on the date of the sale does not exceed five sales;

(b) no advertising has been published in connection with the sale; and

(c) the seller believes the purchaser is purchasing for investment.

In calculating the number of sales in a twelve-month period, sales made in violation of K.S.A. 17-1255, and sales exempt from registration pursuant to paragraphs (a), (h), (m) or (p) of K.S.A. 17-1262, as amended by L. 1982, ch. 99, sec. 2, shall be taken into account.

For purposes of this exemption, a husband and wife shall be considered as one purchaser. A corporation, partnership, association, joint stock company, trust, or unincorporated organization shall be considered as one purchaser unless it was organized for the purpose of acquiring the purchased securities. In such a case each beneficial owner of equity interest or equity securities in the entity shall be considered a separate purchaser. (Authorized by K.S.A. 17-1270(f), as amended by L. 1982, chapter 98, sec. 10; implementing K.S.A. 17-1262(a) as amended by L. 1982, ch. 99, sec. 2; effective T-83-40, Nov. 23, 1982.)

**81-5-4. Unsolicited order exemption.** A registered broker-dealer relying upon K.S.A. 17-1262(c), as amended by L. 1982, ch. 99, sec. 2, shall preserve for each transaction for a period of five (5) years the following documents:

(a) a written acknowledgment by the customer stating that the order or offer to buy was unsolicited; and

(b) a copy of the written confirmation that contains the following statement or substantial equivalent: "This transaction was effected pursuant to an unsolicited order or offer to buy by the customer."

(Authorized by K.S.A. 17-1270(f), as amended by L. 1982; chapter 98, sec. 10; implementing K.S.A. 17-1262(c), as amended by L. 1982, ch. 99, sec. 2; effective T-83-40, Nov. 23, 1982.)

**81-5-5. Financial institution exemption.** The offer or sale of securities to a financial institution specified in K.S.A. 17-1262(f), as amended by L. 1982, ch. 99, sec. 2, shall not be exempt if the financial institution is acting only as an agent for another purchaser that is not a financial institution so specified. Exemptions shall only be granted when the financial institution is acting for its own account or as a bona fide trustee of a trust organized and existing other than for the purpose of acquiring the specific securities for which the seller is

claiming an exemption. (Authorized by K.S.A. 17-1270(f), as amended by L. 1982, chapter 98, sec. 10; implementing K.S.A. 17-1262(f), as amended by L. 1982, ch. 99, sec. 2; effective T-83-40, Nov. 23, 1982.)

**81-5-6. Uniform limited offering exemption.** (a) Any transaction involving the offer or sale of securities other than securities excluded from this exemption by section (f) below, offered or sold in compliance with the federal Securities Act of 1933, Regulation D, Rules 230.501-230.503 and 230.505 as made effective in federal Securities Act of 1933 Release No. '33-6389 and which satisfies the conditions, limitations, and requirements of this regulation shall be exempt from the registration provisions of the Kansas Securities Act.

(1) No commission, finders fee, or other remuneration shall be paid or given, directly or indirectly, for soliciting any prospective purchaser or in connection with the sales of securities in reliance on this exemption, unless the recipient is appropriately registered in this state as a broker-dealer, agent or investment adviser.

(2) No exemption under this regulation shall be available if the issuer, any of its directors, officers, general partners, beneficial owners of ten percent (10%) or more of any class of its equity securities, any of its promoters currently connected with it in any capacity, or any person (other than a broker-dealer currently registered under K.S.A. 17-1254), who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of any prospective purchaser or in connection with sales of securities in reliance on this regulation:

(A) has filed a registration statement which is subject to a currently effective stop order entered pursuant to any state law within five years prior to the commencement of the offering;

(B) has been convicted within five years prior to commencement of the offering of any felony or misdemeanor in connection with the purchase or sale of any security or any felony involving fraud or deceit including but not limited to forgery, embezzlement, obtaining money under false pretenses, larceny or conspiracy to defraud;

(C) is currently subject to any state administrative order or judgment entered by a state securities administrator within five (5) years prior to the commencement of the offering or is subject to any state administrative order or judgment in which fraud or deceit was found and the order or judgment was entered within five (5) years prior to the commencement of the offering;

(D) is currently subject to any state administrative order or judgment which prohibits the use of any exemption from registration in connection with the purchase or sale of securities; or

(E) is subject to any order, judgment or decree of any court of competent jurisdiction temporarily or preliminarily restraining or enjoining, or is subject to any order, judgment or decree of any court of competent jurisdiction, entered within five (5) years prior to the commencement of the offering permanently restraining or enjoining such person from engaging in or

(continued)

continuing any conduct or practice in connection with the purchase or sale of any security or involving the making of any false filing with any state.

(F) The prohibitions of paragraphs (A) through (C) above shall not apply if the party or interest subject to the disqualifying order is duly licensed to conduct securities related business in the state in which the administrative order or judgment was entered against such party or interest.

(G) Any disqualification caused by this section shall be automatically waived if the state which created the basis for disqualification determines upon a showing of good cause that it is not necessary under the circumstances that the exemption be denied.

(3) The issuer shall file with the commissioner, at the times specified in paragraphs (A) through (C) below, a notice on federal SEC Form D 17CFR239.500 (copies of which may be obtained from the Kansas Commissioner):

(A) no later than fifteen (15) days after the first sale of securities in an offering under this exemption;

(B) every six (6) months after the first sale of securities in an offering under this exemption, unless the final notice required by paragraph (C) below has been filed; and

(C) no later than thirty (30) days after the last sale of securities in an offering under this exemption.

(D) Every notice on Form D shall be manually signed by a person duly authorized by the issuer.

(E) If more than one notice is required to be filed pursuant to paragraphs (A) through (B) above, notices other than the original notice shall only report the information required by Part C of Form D and any material change of Form D in the facts from those set forth in Parts A and B in the original notice.

(4) In any sale to a nonaccredited investor the issuer and any person acting on its behalf shall have reasonable grounds to believe, and after making reasonable inquiry shall believe, that the investment is suitable for the investor. Suitability shall be based upon the facts disclosed by the investor as to the investor's other security holdings, financial situation and needs. For the limited purpose of this condition only, it may be presumed that if the investment does not exceed twenty percent (20%) of the investor's net worth (excluding principal residence, furnishings therein and personal automobiles) it is suitable.

(b) Offers and sales which are exempt under this rule shall not be combined with offers and sales exempt under any provision of the Kansas Securities Act or any rule promulgated thereunder.

(c) In any proceeding involving this rule, the burden of proving the exemption or an exception from a definition or condition shall be upon the person claiming it.

(d) In view of the objective of this rule and the purposes and policies underlying the Kansas Securities Act, this exemption shall not be available to any issuer with respect to any transaction which, although in technical compliance with this rule, is part of a plan or scheme to evade registration or the conditions or limitations explicitly stated in this rule.

(e) Upon the showing of good cause, the commis-

sioner may by order waive any of the conditions of paragraphs (a)(2)(A), (a)(2)(C) or (a)(2)(D) of this exemption.

(f) Consistent with K.S.A. 17-1262a, this exemption shall not be available for any limited partnership interest involving, or any fractional or undivided interest, or any certificate based upon any fractional or undivided interest in any oil or gas royalty, lease or deed, including subsurface gas storage and payments out of production.

(g) The issuer shall be required to maintain for a period of five (5) years a written record of all information furnished by it to all offerees.

(Authorized by K.S.A. 17-1270(f), as amended by L. 1982, chapter 98, sec. 10; implementing K.S.A. 17-1262, as amended by L. 1982, ch. 99, sec. 2; effective T-83-40, Nov. 23, 1982.)

JOHN R. WURTH  
Securities Commissioner

Doc. No. 000815

### State of Kansas

## SOCIAL AND REHABILITATION SERVICES

### TEMPORARY ADMINISTRATIVE REGULATIONS

(Approved by the State Rules and Regulations Board November 23, 1982. Will expire May 1, 1983.)

**30-4-73. Deprivation in ADC.** (a) A child, to be eligible for ADC, shall be deprived of parental support or care by reasons of the death, continued absence from the home, physical or mental incapacity of a parent, or unemployment of the parent.

(b) Continued absence from the home. Continued absence from the home of either or both natural or adoptive parents shall be established as a basis for ADC when the parent is physically absent from the home and the absence interrupts or terminates the parent's functioning as a provider of maintenance, physical care, or guidance for the child. Absence of a parent based solely on active military service shall not constitute deprivation under this provision. A child may be eligible for a period not to exceed 90 days following the return of either or both parents if the extension of eligibility is necessary for a satisfactory reconstruction of normal family life or the obtaining of employment by the returning parent.

(c) Physical or mental incapacity of a parent.

(1) Physical or mental incapacity of a parent shall be established as a basis for ADC when either parent is physically or mentally incapacitated, when the incapacity is expected to last at least 30 days and when the incapacity:

(A) Limits the parent's ability to support (and care for) the child. "Limits" means that, as a result of the incapacity, the parent is capable of only earning an applicable income (excluding the earned income disregard) which is less than public assistance standards;

(B) Reduces substantially the parent's ability to support or care for the child. "Substantial" means a 30%

(continued)



reduction of gross earned income or adjusted gross income for the self-employed; or

(C) Eliminates the parent's ability to support or care for the child. A child may be eligible for a period not to exceed 90 days following termination of the condition on which the parent's incapacity has been based if the extension of eligibility is necessary for personal readjustment or the obtaining of employment.

(2) A parent shall meet one of the following criteria to be considered physically or mentally incapacitated under the above provision:

(A) The incapacity shall be established by eligibility for OASDI or SSI benefits based on disability or incapacity; or

(B) The incapacity shall be established by a written or oral statement of a psychologist, an optometrist or a person licensed by the board of healing arts, within the scope of that person's professional competence, or by a written team diagnostic evaluation from the veteran's administration, vocational rehabilitation, a mental health clinic, or related types of agencies.

(d) Unemployment. The unemployment of a parent determined to be the principal wage earner shall be established as a basis for ADC eligibility when the parent has been unemployed for at least 30 days before receipt of assistance and the child is not otherwise deprived of support because of the death, absence or incapacity of a parent. The principal wage earner shall be the parent who earned the greater amount of income in the 24 month period immediately preceding the month of application. A child may be eligible for a period not to exceed 30 days following the parent's return to work if the extension of eligibility is necessary for a satisfactory reconstruction of normal family life. This time period may further be extended until the parent receives his or her first pay check. A parent shall meet the criteria listed below to be considered unemployed under this provision:

(1) The parent has not been fully employed for at least 30 days before receipt of aid to dependent children. A fully employed person is one who works 100 hours or more a month. If the parent's work is intermittent and is in excess of 100 hours for only a temporary period, the parent is not considered fully employed if the parent worked less than 100 hours for two prior months and is expected to be under the 100 hour standard during the next month;

(2) The parent has not without good cause, within the last 30 days, refused a bona fide offer of employment or training for employment;

(3) The parent has six or more quarters of work in any 13 calendar quarter period ending within one year before the application for assistance, or the parent received unemployment compensation under the state's unemployment compensation law or under the United States law, or the parent was qualified for unemployment compensation under the unemployment compensation of the state within one year before the application for assistance. An individual shall be deemed qualified under the state's unemployment compensation law if the individual would have been eligible to receive benefits upon filing application, or the individual performed work not covered by law

which, if it had been covered, would (together with any covered work the individual performed) have made the individual eligible to receive benefits upon filing application. A quarter of work shall be a period of three consecutive calendar months ending March 31, June 30, September 30, or December 31 in which the individual earned not less than \$50.00 or in which the individual participated in a work and training program;

(4) The parent is registered for the work incentive program or exempted from it;

(5) The parent, if exempted from the work incentive program, is registered for employment with the division of employment, state department of human resources (job services center); and

(6) The parent has applied for, and if eligible has not refused, unemployment compensation benefits.

(e) The effective date of this regulation shall be December 1, 1982. (Authorized by and implementing K.S.A. 39-708c as amended by L. 1982, ch. 182, § 132; effective May 1, 1981; amended, E-82-19, Oct. 29, 1981; amended May 1, 1982; amended, T-83-38, Nov. 23, 1982.)

**30-4-140. Payments.** (a) Money payments. Money payments shall equal the budgetary deficit, which shall be rounded down to the nearest dollar, except as set forth below:

(1) Money payments for the month of application shall equal the budgetary deficit which shall be prorated beginning with the date of application through the end of the month. A standard 30 day month shall be used.

(2) Payment shall not be made if the amount of the budgetary deficit is less than \$10.00. When a payment is not made under this provision, recipient status shall continue.

(3) GA money payments shall equal 80% of the budgetary deficit plus any appropriate special allowances with the following exceptions:

(A) Persons receiving care or supervision;

(B) families in which a person is participating in vocational rehabilitation program training; and

(C) families in which a person has been assigned to a work project or work and training program.

(b) Underpayments. Underpayments shall be promptly corrected.

(c) Overpayments. Overpayments shall be promptly corrected. Overpayments may be recovered by voluntary repayment, administrative recoupment, or legal action. The assistance payment shall not be reduced below an amount which, when added to liquid resources, total earned income with no disregarding or exemptions and nonexempt unearned income, is less than 90% in ADC or 80% in GA of the budgetary requirement for the number of persons in the assistance plan. The agency shall not initiate recovery procedures pending the disposition of a welfare fraud referral to the fraud and recovery section.

(d) EITC adjustments. When the amount of the EITC counted by the agency exceeds the amount of the allowable credit, the agency shall adjust the benefits of an individual who is a recipient to provide payment

(continued)

equal to the amount of the benefits lost. When the amount of the EITC counted by the agency is less than the allowable credit, the agency shall count as income the amount of the EITC received at the end of the taxable year to the extent it exceeds the amount already counted.

(e) Discontinuance of assistance payments. Assistance payments shall be discontinued when the recipient no longer meets one or more of the appropriate factors of eligibility.

(f) The effective date of this regulation shall be December 1, 1982. (Authorized by K.S.A. 39-708c as amended by L. 1982, ch. 182, § 132; implementing K.S.A. 39-708c as amended by L. 1982, ch. 182, § 132, K.S.A. 39-719b; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended, T-83-38, Nov. 23, 1982.)

**30-5-71. Co-pay requirements.** (a) Except as set forth in paragraph (b), program recipients shall be obligated to the provider for the first 50¢ of reimbursement that would otherwise be due from the agency for the following services:

- (1) Psychologist services (per visit);
- (2) Chiropractic services (per visit);
- (3) Dental services (per visit);
- (4) Non-emergency ambulance services (per trip);
- (5) Optometric services (per visit); and
- (6) Pharmacy services (per prescription, new and refill).

(b) The provisions of paragraph (a) shall not apply to services provided:

- (1) To residents in intermediate care and skilled nursing facilities;
- (2) To recipients under 18;
- (3) To recipients enrolled in a health maintenance organization;
- (4) For family planning purposes; and
- (5) Related to pregnancy.

(c) The effective date of this regulation shall be December 1, 1982. (Authorized by and implementing K.S.A. 39-708c as amended by L. 1982, ch. 182, § 132; effective May 1, 1981; amended May 1, 1982; amended, T-83-38, Nov. 23, 1982.)

**30-6-73. Deprivation in ADC.** A child, to be eligible for ADC, shall be deprived of parental support or care by reasons of the death, continued absence from the home, physical or mental incapacity, or unemployment of a parent. (a) Continued absence from the home. Continued absence from the home of either or both natural or adoptive parents shall be a basis for eligibility if the parent is physically absent from the home and the absence interrupts or terminates the parent's functioning as a provider of maintenance, physical care, or guidance for the child. Absence of a parent based solely on active military service shall not constitute deprivation under this provision. A child may be eligible for a period not to exceed 90 days following the return of either or both parents if the extension of eligibility is necessary for a satisfactory reconstruction of normal family life or the obtaining of employment by the returning parent.

(b) Physical or mental incapacity of a parent.

(1) Physical or mental incapacity of a parent shall be a basis for eligibility when either parent is physically or mentally incapacitated, when the incapacity is expected to last at least 30 days and when the incapacity:

(A) Limits the parent's ability to support (and care for) the child. "Limits" means that, as a result of the incapacity, the parent is capable of only earning an applicable income which is less than public assistance standards;

(B) Reduces substantially the parent's ability to support or care for the child. "Substantial" means a 30% reduction of gross earned income or adjusted gross income for the self-employed; or

(C) Eliminates the parent's ability to support or care for the child. A child may be eligible for a period not to exceed 90 days following termination of the condition on which the parent's incapacity has been based if the extension of eligibility is necessary for personal readjustment or the obtaining of employment.

(2) To be considered physically or mentally incapacitated under the above provision, a parent shall be:

(A) Eligible for OASDI or SSI benefits based on disability or incapacity; or

(B) Established as incapacitated by a psychologist, an optometrist or a person licensed by the board of healing arts, within the scope of that person's professional competence, or by a written team diagnostic evaluation from the veteran's administration, vocational rehabilitation, a mental health clinic or related types of agencies.

(c) Unemployment. The unemployment of the parent determined to be the principal wage earner shall be a basis for eligibility when the parent has been unemployed for at least 30 days before participation in the medical assistance program and the child is not otherwise deprived of support because of death, absence, or incapacity of a parent. The principal wage earner shall be the parent who earned the greater amount of income in the 24 month period immediately preceding the month of application. A child may be eligible, for a period not to exceed 30 days following the parent's return to work, if the extension of eligibility is necessary for a satisfactory reconstruction of normal family life. This time period may further be extended until the parent receives his or her first pay check. To be considered unemployed under this provision, a parent shall:

(1) Not have been fully employed for at least 30 days before participation in the medical assistance program. A fully employed person is one who works 100 hours or more a month. If the parent's work is intermittent and is in excess of 100 hours for only a temporary period, or if the parent has worked less than 100 hours for two prior months and is expected to be under the 100 hour standard during the next month, then the parent shall not be considered fully employed.

(2) Not without good cause, within the last 30 days, have refused a bona fide offer of employment or training for employment;

(3) Have had six or more quarters of work in a 13 calendar quarter period ending within one year before

(continued)

the application for participation in the medical assistance program, or have received unemployment compensation under the state unemployment compensation law or under the United States law, or have qualified for unemployment compensation under the unemployment compensation of the state within one year before the application for participation in the medical assistance program. An individual shall be qualified under the state's unemployment compensation law if the individual would have been eligible to receive the benefits upon filing an application, or if the individual had performed work not covered by the law which, if it had been covered, would (together with any covered work the individual performed) have made the individual eligible to receive the benefits upon filing an application. A quarter of work shall be a period of three consecutive calendar months ending March 31, June 30, September 30, or December 31 in which the parent earned not less than \$50.00 or in which the parent participated in a work and training program;

(4) Have applied for, and if eligible have not refused, unemployment compensation benefits; and

(5) Be registered for employment with the division of employment, state department of human resources (job services center). This policy shall not apply to a parent who (if the parent were receiving ADC) would be exempt from participation in the work incentive program.

(d) The effective date of this regulation shall be December 1, 1982. (Authorized by and implementing K.S.A. 39-708c as amended by L. 1982, ch. 182, § 132; effective May 1, 1981; amended, E-82-19, Oct. 29, 1981; amended May 1, 1982; amended, T-83-38, Nov. 23, 1982.)

DR. ROBERT C. HARDER  
Secretary

Doc. No. 000817

State of Kansas

DEPARTMENT OF HUMAN RESOURCES

TEMPORARY ADMINISTRATIVE REGULATIONS

(Approved by the State Rules and Regulations Board November 23, 1982. Will expire May 1, 1983.)

Article 46. Boiler insurance, administration.

49-46-1. Insurance company requirements. (a) Each company insuring one or more boilers located in this state shall perform an inspection, at the times prescribed in K.S.A. 44-923 (c) or K.A.R. 49-48-1, of each boiler insured by the company.

(b) If an insurance company fails or refuses to inspect a boiler insured by that company, as required by K.S.A. 44-923 (c) and subsection (a) of this regulation, the secretary shall cause the boiler to be inspected by the chief inspector or a deputy inspector. The appropriate fee specified in K.S.A. 44-926 shall be charged for any inspection conducted under this subsection and shall be paid by the owner or user of the boiler.

(c) All insurance companies shall notify the chief inspector, within 30 days, of all boilers on which

insurance is written, cancelled, not renewed, or suspended because of unsafe conditions.

(d) In the event a boiler explosion occurs, the owner or user or insurance inspector shall promptly notify the chief inspector by telephone, telegraph or messenger. Neither the boiler, nor any parts of it, shall be removed or disturbed before permission has been given by the chief inspector, except for the purpose of saving human life, limiting consequential damage, or arson investigation. (Authorized by K.S.A. 44-916, as amended by L. 1982, ch. 217, § 1; implementing K.S.A. 44-920, 44-923; effective E-81-38, Dec. 10, 1980; effective May 1, 1981; amended T-83-41, Nov. 23, 1982.)

Article 49. Fee schedule for boiler inspections.

49-49-1. (a) Inspection fees:

(1) Power boilers and high pressure, high temperature water boilers:

Mini boilers	\$12.00
Boilers of 50 sq. ft. of heating surface or less	\$35.00
Boilers over 50 sq. ft. of heating surface and less than 4,000 sq. ft. of heating surface	\$40.00
Boilers of 4,000 sq. ft. of heating surface or more and less than 10,000 sq. ft. of heating surface	\$45.00
Boilers of 10,000 sq. ft. of heating surface or more	\$55.00

(2) Heating boilers:

Heating boilers without a manhole	\$12.00
Heating boilers with a manhole	\$18.00
Hot water supply boilers	\$12.00

(3) External inspections: (Power Boilers)

Boilers of 50 sq. ft. of heating surface or less	\$12.00
Boilers over 50 sq. ft. of heating surface	\$15.00

(4) Hydrostatic tests: When it is necessary to make a special trip to witness the application of a hydrostatic test, an additional fee based on the scale of fees applicable to a certificate inspection of the boiler shall be charged.

(5) All other inspections, including shop inspections, special inspections and inspections of second-hand or used boilers, made by the chief or deputy inspector shall be charged fees of not less than the rate for 1/2 day, plus all expenses, including traveling and hotel.

(b) Certificate fee.

(1) Certificate fee shall be \$10.00.

(Authorized by K.S.A. 44-916, as amended by L. 1982, ch. 217, § 1; implementing K.S.A. 44-926, as amended by L. 1982, ch. 217, § 3; effective T-83-41, Nov. 23, 1982.)

DR. HARVEY L. LUDWICK  
Secretary

Doc. No. 000814

**State of Kansas****DEPARTMENT OF ADMINISTRATION****TEMPORARY ADMINISTRATIVE REGULATIONS**

(Approved by the State Rules and Regulations Board November 23, 1982. Will expire May 1, 1983.)

**PROPOSED ALLOTMENT SYSTEM REGULATIONS****1-61-1. Required findings and notice of implementation of allotment system.**

(a) Findings. (1) Whenever the secretary of administration, on the advice of the director of the budget, finds that the resources of the state general fund or any special revenue fund are likely to be insufficient to finance appropriations against the state general fund or such special revenue fund, the secretary of administration shall instruct the director of the budget to implement an allotment system.

(2) Whenever the secretary of administration, on the advice of the director of the budget, finds that the use of an allotment system for application to a particular executive branch state agency will be beneficial to the state in order to assure that the affected state agency will be able to operate for an entire fiscal year within the fiscal constraints of appropriations made to the affected state agency, the secretary of administration may instruct the director of the budget to implement an allotment system for the affected state agency.

The secretary of administration shall inform the director of the budget of the secretary's decisions as to the amount of money to be made available to each affected state agency to which the allotment system is to be applied and of any limitation thereon.

(b) Notice. After the director of the budget has received notice from the secretary of administration of the secretary's allotment decision or decisions, the director of the budget shall provide written notice of the allotment decision to each state agency that is affected by the allotment system. The notice shall be given to a state agency at least 30 days before the beginning of the time period in which that state agency is subject to the allotment system. The 30 day notice shall be deemed to have been timely given if the notice is personally delivered to an employee of the affected state agency or placed in the U.S. mail, addressed to the affected state agency, at least 30 days prior to the time period in which the state agency is subject to the allotment system. The notice shall:

(1) specify the amount of money that the secretary of administration has allotted to the state agency, and the limitations and time period or periods applicable to the allotment;

(2) specify the type and form of fiscal information that is to be submitted by the state agency to the director of the budget and time schedules therefor; and

(3) inform the agency of the right to seek review of the secretary's allotment decisions pursuant to K.A.R. 1-61-3. (Authorized by and implementing K.S.A. 75-3722; effective T-83-42, Nov. 23, 1982.)

**1-61-2. Monitoring and reporting on allotment system.**

(a) The director of the budget shall provide the director of accounts and reports information showing

the allotment decisions of the secretary of administration and any modification thereto which have been approved by the governor.

(b) The director of accounts and reports or the director of the budget may require agencies subject to the allotment system to submit specific or general information that either director deems necessary to assure that any agency is operating within the funds allotted and limitations applicable thereto.

(c) In cases where there is a dispute, the secretary of administration shall make determinations as to whether an agency is operating within the funds allotted to an agency and complying with limitations placed on those funds after first giving the agency an opportunity to supply relevant information. In cases where an agency head is aggrieved by the secretary's decision, the matter shall be referred to the Governor, whose decision shall be final. (Authorized by and implementing K.S.A. 75-3722; effective T-83-42, Nov. 23, 1982.)

**1-61-3. Review of allotment decisions.** A state agency may request that the Governor review an allotment decision of the secretary of administration. The request shall be made in writing and delivered to the Governor within 10 days after the personal delivery or postmark date of the notice of the agency's allotment and shall include:

(a) any proposed alternative methods the agency recommends to reduce expenditures to the level that would be realized if the secretary of administration's allotment decision is not altered; and

(b) other information that the requesting state agency believes is necessary for the Governor to undertake an appropriate review of the allotment decision of the secretary of administration. (Authorized by and implementing K.S.A. 75-3722; effective T-83-42, Nov. 23, 1982.)

PATRICK J. HURLEY  
Secretary of Administration

Doc. No. 000813

**State of Kansas****ATTORNEY GENERAL****OPINION NO. 82-247**

State Departments; Public Officers, Employees—Open Meetings Act—Executive Recess; Attorney-Client Privilege. Representative Michael J. Peterson, Thirty-Third District, Kansas City, November 19, 1982.

K.S.A. 1981 Supp. 75-4319(b) authorizes legislative and executive bodies or agencies subject to the Kansas Open Meetings Act to conduct an executive session or recess for the purpose of "consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship." However, the attorney-client privilege may not be invoked if the attorney is not present, or if persons, other than the attorney and his or her agents, are parties to the communication. Moreover, the communication must be confidential in character and be so regarded by the

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governmental body or agency. Cited herein: K.S.A. 60-426, 75-4317, K.S.A. 1981 Supp. 75-4319. BJS

**OPINION NO. 82-248**

**Roads and Bridges—County and Township Roads—Appointment of Township Board Member as Road Supervisor. Representative Denny D. Burgess, Sixty-First District, Wamego, November 19, 1982.**

K.S.A. 68-530 provides for the employment of a road overseer by a township board. In townships with a population of 500 or less, the township trustee may be so appointed, if there is a unanimous vote of the board. Further, any of the township board members in such a township may perform work on township roads, subject to an annual limit of \$1,000. Given these express provisions, township board members in a township of more than 500 may not serve as the road overseer. Cited herein: K.S.A. 68-530, 68-531, L. 1973, ch. 266, § 1. JSS

**OPINION NO. 82-249**

**Corporations—Urban Renewal Law—Acquisition of Real Property for Urban Renewal Project, Limitation. Stephen P. Chinn, Kansas City Assistant City Attorney, Kansas City, Kansas, November 29, 1982.**

The phrase "blighted area of open land," as used in K.S.A. 17-4747(d), refers to a land area which is substantially in excess of that which is contained in a vacant lot or lots in an urban area. Cited herein: K.S.A. 17-4742, 17-4743, 17-4747, 17-4760. TRH

**OPINION NO. 82-250**

**Townships and Township Officers—Hospitals—Signatures on Warrants. Granville M. Bush, Hospital District No. 1, Lyons, November 29, 1982.**

The administrator of a district hospital subject to the requirements of K.S.A. 80-2188 may not sign warrants or combination warrant checks. The signature of both the chairman and secretary of the board is required. Cited herein: K.S.A. 10-801, 10-803, 10-806, 80-2188. BJS

**OPINION NO. 82-251**

**Counties and County Officers—Hospitals—Use of Donations to Finance Medical Education. John F. McClymont, Norton, November 29, 1982.**

A county hospital board of trustees may not use unrestricted gifts, bequests, devises or deeds for medical student loans or scholarships. However, the board of county commissioners may exercise its home rule powers to authorize the use of unrestricted donations to the hospital for the purpose of making medical student loans or scholarships. Cited herein: K.S.A. 19-101a, 19-1801, 19-1812. BJS

**ROBERT T. STEPHAN**  
Attorney General

Doc. No. 000821

(Published in the KANSAS REGISTER, December 9, 1982.)

**NOTICE OF BOND SALE**  
**\$415,000.00**  
**GENERAL OBLIGATION SEWER**  
**IMPROVEMENT BONDS**  
**OF THE**  
**OAKLAWN IMPROVEMENT DISTRICT**  
**SEDGWICK COUNTY, KANSAS**

The OAKLAWN IMPROVEMENT DISTRICT, Sedgwick County, Kansas, will receive sealed bids at the OFFICE OF THE BOARD OF DIRECTORS, 4426 HEMLOCK COURT, WICHITA, KANSAS, until 6:00 o'clock P.M., C.S.T., on

THURSDAY, DECEMBER 16, 1982  
for \$415,000.00 par value GENERAL OBLIGATION SEWER IMPROVEMENT BONDS of the District, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

All of the Bonds will be negotiable coupon bonds, will be in denominations of \$5,000.00 each, and the Bonds will be dated December 1, 1982. The Bonds will mature serially in accordance with the following schedule:

<i>Principal Amount</i>	<i>Maturity Date</i>
\$25,000	October 1, 1984
25,000	October 1, 1985
25,000	October 1, 1986
25,000	October 1, 1987
25,000	October 1, 1988
25,000	October 1, 1989
25,000	October 1, 1990
30,000	October 1, 1991
30,000	October 1, 1992
30,000	October 1, 1993
30,000	October 1, 1994
30,000	October 1, 1995
30,000	October 1, 1996
30,000	October 1, 1997
30,000	October 1, 1998

Interest on the Bonds will first be payable on April 1, 1984, and thereafter semiannually on the first days of October and April in each year until the Bonds are fully paid. Both the principal of and interest on the Bonds will be payable to bearer at the Office of the State Treasurer in the City of Topeka, Kansas.

Proposals will be received on the Bonds bearing such rate or rates of interest, not exceeding five (5) different interest rates, as may be specified by the bidder. The repetition of a rate will not constitute one of said maximum number of rates. The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be in an even multiple of one-eighth (1/8th) or one-twentieth (1/20th) of One per cent (1%). No interest rate shall exceed the maximum interest rate allowed by Kansas Law; said rate being two per cent (2%) above the Bond Buyer's 20 Bond Index, published in the Weekly Bond Buyer on Monday, DECEMBER 13, 1982, and no bid of less than par and accrued interest will be considered. Bids involving the use of extra or supplemental coupons will not be con-

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sidered. Bids for less than the entire issue of Bonds will not be considered.

Bids shall be submitted on the OFFICIAL BID FORM furnished by the Improvement District, and shall be addressed to the Improvement District at 4426 HEMLOCK COURT, WICHITA, KANSAS, ATTENTION: WAYNE HOPKINS, PRESIDENT, and shall be plainly marked BOND BID. All bids must state the total interest cost of the bid, the premium, if any, the net interest cost of the bid, and the average annual interest rate, all certified by the bidder to be correct; and the District will be entitled to rely on the certificate of correctness of the bidder. Each bid must be accompanied by a certified or cashier's check equal to Two per cent (2%) of the total amount of the bid, and shall be payable to TREASURER, OAKLAWN IMPROVEMENT DISTRICT, SEDGWICK COUNTY, 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 Improvement District as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

The Bonds, duly printed, executed and registered, will be furnished and paid for by the Improvement District; and the Bonds will be sold subject to the unqualified approving opinion of GAAR & BELL, Bond Counsel, of Wichita, Kansas, whose opinion will be paid for by the Improvement District. The purchaser will be furnished with a complete Transcript of 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. Delivery of the Bonds will be made to the successful bidder on or before DECEMBER 31, 1982, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, at the expense of the Improvement District. Delivery elsewhere will be made at the expense of the purchaser.

The Bonds will constitute general obligations of the Improvement District, payable as to both principal and interest in part from the collection of special assessments which have been levied on benefited property; but any portion of said specially assessed part not so paid, and the remainder of said principal and interest will be payable 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 District. The Bonds are being issued for the purpose of certain sewer improvements within the Improvement District known as Deer Lake Estates.

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 best bidder. The Improvement District 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 Improvement District; 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.

Assessed valuation figures for the Improvement District, for the year 1981, are as follows:	
Equalized Assessed Valuation of Taxable Tangible Property . . .	\$1,762,858.00
Tangible Valuation of Motor Vehicles . . . . .	\$ 605,747.00
Tangible Valuation of Motor Vehicle Dealers Inventory . . . . .	\$ -0-
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations . . . . .	\$2,368,605.00

The total bonded indebtedness of the Oaklawn Improvement District, at the date hereof, including this \$415,000.00 proposed issue of Bonds, is in the amount of \$995,000.00. The District will retire \$350,000.00 of outstanding Temporary Notes from the proceeds of the Bonds and special assessments which have been collected in cash.

DATED November 24, 1982.

WAYNE HOPKINS, President  
Oaklawn Improvement District  
Sedgwick County, Kansas

Doc. No. 000810

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