

# KANSAS REGISTER



State of Kansas

**JACK H. BRIER**  
Secretary of State

Vol. 2, No. 17

April 28, 1983

Pages 541-646

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State Capitol  
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PHONE: 913/296-2236

Carol A. Bell  
Publications Director

**NORTHWEST KANSAS GROUNDWATER  
MANAGEMENT DISTRICT NO. 4**

**OPEN MEETING NOTICE**

The May board meeting of the Northwest Kansas Groundwater Management District No. 4 is scheduled for May 5, 1983 at the district office, 1175 South Range, Colby, Kansas. The meeting begins at 10:00 a.m. General administrative matters and other business will be discussed.

WAYNE A. BOSSERT  
Manager

Doc. No. 001162

**State of Kansas**

**UNIVERSITY OF KANSAS**

**NOTICE OF COMMENCEMENT OF  
NEGOTIATIONS  
FOR ENGINEERING SERVICES**

Notice is hereby given of the commencement of negotiations for contracts for engineering services for design of parking lot repair and construction on the Lawrence campus.

The State Building Advisory Commission will nominate engineering firms for said project on May 11, 1983. Actual negotiations will begin at a later date.

Individuals or firms wishing to be considered should contact Mr. Jack Roberts Nelson, Division of Architectural Services, 625 Polk Street, Topeka, Kansas 66603, telephone (913) 233-9367, prior to May 9, 1983.

GENE BUDIG  
Chancellor

Doc. No. 001147

**State of Kansas**

**SECRETARY OF STATE**

**NOTICE**

The following bills have been signed into law by the Governor, as of April 23, and transmitted to this office:

**Senate Bills**

1	27	57	103	147	280	347
2	28	59	106	153	284	353
3	30	60	109	155	294	355
4	31	61	110	157	297	356
5	32	64	112	160	298	358
6	33	65	116	169	308	359
7	34	73	119	172	312	362
8	35	74	120	174	314	363
9	36	75	122	177	320	370

10	40	83	124	204	321	383
11	42	84	125	215	322	402
13	45	85	128	226	337	406
15	49	86	132	229	338	408
16	52	90	134	238	341	417
17	54	92	135	244	342	420
20	55	93	140	247	344	423
24	56	94	145	263	345	432

**House Bills**

2008	2038	2099	2168	2285	2439	2489
2009	2039	2102	2169	2287	2443	2491
2010	2045	2107	2177	2288	2446	2492
2012	2047	2108	2184	2294	2447	2493
2013	2054	2110	2185	2302	2449	2497
2014	2056	2112	2189	2333	2451	2498
2015	2057	2113	2191	2334	2455	2499
2017	2059	2114	2192	2335	2461	2503
2020	2063	2115	2194	2337	2464	2511
2021	2064	2116	2197	2340	2467	2520
2023	2071	2117	2207	2346	2468	2531
2024	2072	2124	2208	2357	2473	2533
2025	2074	2127	2210	2358	2474	2534
2026	2079	2131	2212	2379	2475	2537
2027	2080	2132	2216	2382	2477	2543
2028	2084	2135	2217	2383	2478	2546
2030	2085	2148	2218	2404	2479	2551
2032	2086	2154	2221	2406	2480	2553
2033	2092	2156	2228	2418	2484	2563
2036	2093	2165	2242	2438	2488	2565
2037	2097	2166	2266			

The following bills have been vetoed by the Governor:

**Senate Bills:** 286, 384.

**House Bills:** 2016, 2175, 2466.

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

**Senate Concurrent Resolutions:** 1603, 1608, 1609, 1616, 1620, 1621, 1623, 1631.

**House Concurrent Resolutions:** 5002, 5005, 5006, 5007, 5010, 5011, 5012, 5014, 5016, 5018, 5036, 5042, 5043.

**House Resolutions:** 6001, 6002, 6003, 6004, 6005, 6006, 6007, 6008, 6009, 6010, 6011, 6012, 6013, 6014, 6015, 6016, 6017, 6018, 6019, 6020, 6022, 6023, 6024, 6025, 6026, 6027, 6028, 6029, 6030, 6031, 6032, 6033, 6034, 6035, 6036, 6037, 6038, 6039, 6040, 6042, 6043, 6044, 6045, 6046, 6047, 6048, 6049, 6050, 6051, 6052, 6053, 6054, 6056, 6057, 6058, 6059, 6060, 6061, 6062, 6063, 6064, 6065, 6066, 6067, 6068.

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: 913/296-4557.

## State of Kansas

## LEGISLATURE

The following list gives the numbers and titles of bills and 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 20 and 21:**

**SB 452**, by Committee on Ways and Means: An act relating to taxation; imposing an excise tax upon the production of coal, salt, oil and gas from the earth or water of the state; providing for the levy and collection of such taxes and the administration and enforcement of the provisions of the act; prescribing penalties for violations thereof and providing for the use and disposition of revenues derived therefrom.

**SB 453**, by Committee on Ways and Means: An act relating to the financing of highways; concerning the taxation of motor-vehicle fuels, special fuels and LP-gas fuels and the fixing of fees for certain trip permits for such purpose; transfer of funds from state freeway fund to state highway fund; funding highway patrol from state general fund; amending K.S.A. 74-2114, 74-2116, 79-3408c, 79-3475a, 79-3492, 79-34,118 and 79-34,126 and K.S.A. 1982 Supp. 79-3408, 79-3425, 79-3425c, 79-3475, 79-3487 and 79-34,104 and repealing the existing sections; also repealing K.S.A. 1982 Supp. 79-3425h.

**SB 454**, by Committee on Ways and Means: An act relating to the taxation of income; imposing such tax and fixing the rate thereof; amending K.S.A. 1982 Supp. 79-32,110 and repealing the existing section.

**SB 455**, by Committee on Ways and Means: An act relating to taxation; imposing a tax upon the privilege of doing business within the state by national banking associations and state banks; amending K.S.A. 1982 Supp. 79-1107 and repealing the existing section.

**SB 456**, by Committee on Ways and Means: An act amending the Kansas retailers' sales tax and compensating tax acts; increasing the rate imposed thereunder; amending K.S.A. 79-3703 and K.S.A. 1982 Supp. 79-3606, 79-3633 and 79-3635 and repealing the existing sections.

**SB 457**, by Committee on Ways and Means: An act concerning the Kansas dental board; relating to the issuance of certain licenses; amending K.S.A. 65-1434, as amended by section 5 of 1983 Senate Bill No. 363, and repealing the existing section.

**SB 458**, by Committee on Ways and Means: An act concerning the Kansas register; relating to certain orders of the board of tax appeals; amending K.S.A. 1982 Supp. 75-430, as amended by section 1 of 1983 Senate Bill No. 160, and repealing the existing section; and also repealing K.S.A. 1982 Supp. 75-430, as amended by section 1 of 1983 Senate Bill No. 132.

**SB 459**, by Committee on Federal and State Affairs: An act concerning state and local retailers' sales and use taxes; increasing the state sales and use tax rate; exempting sales of food for human consumption from state and certain local sales and use taxes; amending K.S.A. 12-189a and 79-3703 and K.S.A. 1982 Supp. 79-3606 and 79-3606 and repealing the existing sections; also repealing K.S.A. 1982 Supp. 79-3632 to 79-3639, inclusive.

**SB 460**, by Committee on Ways and Means: An act concerning the school district equalization act; relating to taxable income of district residents; amending K.S.A. 72-7041 and repealing the existing section.

**SB 461**, by Committee on Federal and State Affairs: An act relating to security interests in certain collateral; concerning certain statements relating thereto; amending section 2 of 1983 Substitute for Senate Bill No. 7 and repealing the existing section.

**SB 462**, by Committee on Ways and Means: An act relating to natural gas; concerning the flaring thereof; amending K.S.A. 55-102 and 55-702 and repealing the existing sections.

**HB 2576**, An act making and concerning appropriations for the fiscal years ending June 30, 1983, June 30, 1984, and June 30, 1985; authorizing certain transfers and fees; imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, capital improvement projects and acts incidental to the foregoing; amending section 2 of 1983 House Bill No. 2064, section 3 of 1983 House Bill No. 2086, section 2 of 1983 House Bill No. 2107, section 5 of 1983 House Bill No. 2156, section 2 of 1983 Senate Bill No. 109 and repealing the existing section.

**HB 2577**, by Committee on Ways and Means: An act relating to the Kansas public employees retirement system; concerning annual transfers of moneys to amortize liability for school service annuities; amending K.S.A. 72-5535 and repealing the existing section.

**HB 2578**, by Committee on Ways and Means: An act relating to the Kansas commission on interstate cooperation; concerning its membership, purpose, duties and functions; concerning the advisory committee on uniform state laws; amending K.S.A. 46-404, 46-405, 46-406, 46-407a and 46-408 and repealing the existing sections.

**HB 2579**, by Committee on Ways and Means: An act relating to public moneys; concerning the investment thereof; amending K.S.A. 12-1675, as amended by section 7 of 1983 House Bill No. 2439, and 12-1676, as amended by section 8 of 1983 House Bill No. 2439 and repealing the existing sections.

**HB 2580**, by Committee on Federal and State Affairs: An act concerning the crime of bribery; amending K.S.A. 21-3901 and repealing the existing section.

**SCR 1632**, by Joint Committee on Administrative Rules and Regulations: An act concerning dental services for adult medikan program recipients; modifying Kansas administrative regulation 30-5-159, as adopted by the secretary of social and rehabilitation services and filed with the revisor of statutes on March 29, 1983 (T-84-S).

**HCR 5049**, by Representative Hayden: A concurrent resolution praising and commending Dr. David Waxman for his distinguished service to the University of Kansas Medical Center.

**SR 1845**, by Senator Winter: A resolution proclaiming July 20 of each year as "Space Exploration Day" and the period of July 16 through July 24 of each year as "Kansas Space Observance."

**HR 6079**, by Representative Moore: A resolution congratulating and commending Ron Wimmer on receiving the Kamelot Award from the Kansas Association for Middle Level Education.

**HR 6080**, by Representatives Lowther, Cloud, Knopp, Niles, Walker and Wilbert: A resolution congratulating and commending Kansas Master Teachers for 1983.

**HR 6081**, by Representative Blumenthal: A resolution honoring Norma Bone, Steve Davis, Fred Foreman, Dorothy Pease and Trude Welch, on their retirement from teaching at Shawnee Mission North High School.

**HR 6082**, by Representative Blumenthal: A resolution honoring Dr. Ralph E. "Jack" Chalender on his retirement from the Shawnee Mission school system.

**HR 6083**, by Representative Laird: A resolution memorializing Congress to commit the United States to the rapid development of beam-weapon technology.

**HR 6084**, by Representative L. Fry: A resolution congratulating and commending Corner Stone Lodge No. 219, AF&AM, at Little River, Kansas, on its 100th anniversary.

**HR 6085**, by Representative R. D. Miller: A resolution commending the "Russell Oil Show '83" held in Russell, Kansas, from June 1 through June 4, 1983.

**HR 6086**, by Representative B. Fuller: A resolution commemorating the 100th anniversary of the First United Presbyterian Church, USA, of Miltonvale, Kansas.

## State of Kansas

**SOCIAL AND REHABILITATION SERVICES  
ADVISORY COMMISSION ON  
JUVENILE OFFENDER PROGRAMS AND  
THE JUVENILE JUSTICE DELINQUENCY  
PREVENTION STATE ADVISORY GROUP**

## NOTICE OF MEETING

The State Department of Social and Rehabilitation Services, Advisory Commission on Juvenile Offender Programs and the Juvenile Justice Delinquency Prevention State Advisory Group will meet together on Friday, May 6, 1983, at the SRS Staff Development Training Center, Room C, on the grounds of Topeka State Hospital beginning at 9:30 A.M.

ROBERT C. BARNUM  
Commissioner, Youth Services

Doc. No. 001164

## State of Kansas

**SOCIAL AND REHABILITATION SERVICES**

**NOTICE OF CHANGE IN REIMBURSEMENT  
FOR HOSPITAL INPATIENT SERVICES**

GENERAL HOSPITALS—Effective July 1, 1983, the reimbursement system for inpatient services of general hospitals will be changed from the lesser of audited costs or charges to a prospective payment system based on fiscal year 1981 cost reports with an inflation factor applied. Any hospital above the mean rate shall have a maximum number of days paid above the mean and the remainder paid at the mean of hospitals with rates below the overall mean.

The method of reimbursement to general hospitals for inpatient services will be changed for the purpose of controlling reimbursement.

The projected fiscal impact for fiscal year 1984 is \$6,312,000 cost savings.

Copies of these changes may be obtained from the local SRS office.

Written comments may be sent to Division of Medical Programs, 6th Floor, State Office Building, Topeka, Kansas 66612.

L. KATHRYN KLASSEN, RN, MS  
Director  
Division of Medical Programs

Doc. No. 001165



## State of Kansas

**ATTORNEY GENERAL**

## OPINION NO. 83-59

Kansas Constitution—Legislative Article—Requirements for Passage of Bill. John Carlin, Governor of the State of Kansas, Topeka, April 15, 1983.

When the House of Representatives amended 1983 Senate Bill No. 384 so as to transform it from a bill relating to the collection of delinquent taxes owed by nonresidents into a bill providing for the imposition of a severance tax, a new bill was introduced. Thus, when said bill was passed by the House on the same day it was introduced, without the declaration of an emergency, serious questions are raised regarding the validity of this bill in light of Article 2, Section 15 of the Kansas Constitution. Cited herein: Kan. Const., Art. 2, §§ 15, 16, 1983 Senate Bill No. 384. WRA

## OPINION NO. 83-60

Counties and County Officers—General Provisions—Authority to Purchase Real Property.

Counties and County Officers—Miscellaneous Provisions—Disposal of Refuse; Acquisition of Lands. F. L. "Mac" McGinley, Sherman County Attorney, Goodland, April 18, 1983.

K.S.A. 19-2658 authorizes the board of county commissioners to exchange county-owned property for a parcel of real property which would be utilized as a county landfill. Cited herein: K.S.A. 19-101, 19-2658. RVE

ROBERT T. STEPHAN  
Attorney General

Doc. No. 001161

## 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, MAY 9, 1983

#53504

Kansas Department of Transportation, Topeka—PLANT MIX, BITUMINOUS MIXTURE, for various locations

#53505

Kansas Department of Transportation, Hutchinson—AB 3-AGGREGATE, ALTERNATE BID AS-1 AGGREGATE, in Lyons, Kansas

#53506

University of Kansas, Lawrence—MICROCOMPUTER SYSTEM

#53507

Kansas State University, Manhattan—ALL URETHANE FOAM PANELS

#53512

Wichita State University, Wichita—MICROCOMPUTER EQUIPMENT

#53586

Kansas State University, Manhattan—PLOT PLANTER

TUESDAY, MAY 10, 1983

#25560

Department of Health and Environment, Topeka—PAPANICOLAU SCREENING

#25562

University of Kansas, Lawrence—LABORATORY SOLVENTS

#25555

Statewide—JUNE (1983) MEAT PRODUCTS

#53513

Kansas State University, Manhattan—CLOSED CIRCUIT TV EQUIPMENT

#53514

University of Kansas Medical Center, Kansas City—CHOLEDOCHO-NEPHROSCOPE SET

#53515

Kansas Department of Transportation, Hutchinson—TEMPORARY MARKING TAPE

#53516

Kansas Department of Transportation, Chanute—SWEEPER

#53517

Kansas State University, Manhattan—FORAGE HARVESTER, in Scandia, Kansas

#53518

University of Kansas, Lawrence—PLAIN PAPER COPIER

#53519

Kansas State University, Manhattan—PLAIN PAPER COPIER

#53526

Kansas State University, Manhattan—MIXER

#53527

Kansas State University, Manhattan—LIQUID SCINTILLATION COUNTER

#53528

Kansas State University, Manhattan—SPECTROPHOTOMETER

#53529

Kansas State University, Manhattan—GRAIN TEXTURE ANALYZER

#53585

Kansas Department of Transportation, Salina—AIR OPERATED TAMPER

#53587

Kansas State University, Manhattan—PORTABLE GRINDER-MIXER, for Southeast Kansas Experiment Station, Mound Valley, Kansas

#53590

Kansas Department of Transportation—POTHOLE PATCHER, for Chanute and Salina, Kansas

#A-4615

Kansas State Historical Society, Topeka—PARKING LOT IMPROVEMENTS, for Frontier Historical Park, Hays, Kansas

#A-4651

Kansas State University, Manhattan—ACKERT PARKING LOT RECONSTRUCTION (LOTS A28E and A28W)

## WEDNESDAY, MAY 11, 1983

#25558  
University of Kansas Medical Center, Kansas City—  
SMALL ANIMAL FEED

#25563  
Kansas State University, Manhattan—READY MIX  
CONCRETE, for Garden City Experiment Station, Gar-  
den City, Kansas

#53530  
University of Kansas, Lawrence—FUEL OIL

#53531  
Kansas State University, Manhattan—PLANT  
GROWTH CHAMBER

#53532  
Kansas State University, Manhattan—PLANT  
GROWTH CHAMBER

#53537  
Kansas State University, Manhattan—MOISTURE  
MEASURING APPARATUS

#53538  
Kansas State University, Manhattan—VISOGRAPH

#53539  
Department of Corrections, Topeka—LIGHTING  
FIXTURES, for Kansas State Penitentiary

#53570  
Kansas Department of Transportation, Topeka—MIS-  
CELLANEOUS MACHINERY REPAIR PARTS

#53571  
Kansas Department of Transportation, Garden City—  
LAWN MOWER

#53588  
Kansas Department of Transportation, Chanute—  
DRILL BREAKER

#53592  
Kansas Department of Transportation—TRUCK  
MOUNTED CRANE, for Topeka, Hutchinson and Salina,  
Kansas

#A-3764(c)  
University of Kansas Medical Center, Kansas City—  
FURNISH AND INSTALL IRRIGATION SYSTEM  
AND SOD LIBRARY of the Health Sciences Facility

#A-4629  
Department of Human Resources—ROOF RE-  
PLACEMENT AND SKYLIGHT REMOVAL, at the Job  
Service Center, Hutchinson, Kansas

## THURSDAY, MAY 12, 1983

#25561  
Kansas State Penitentiary, Lansing—HIGH CAL-  
CIUM QUICKLIME (F.O.B. Lansing)

#53546  
Kansas Correctional Industries, Lansing—CHEMI-  
CALS

#53547  
Kansas Correctional Industries, Lansing—CHEMI-  
CALS

#53548  
Kansas State University, Manhattan—CONVERSION  
KITS TO CHANGE FROM INCANDESCENT TO  
FLUORESCENT LAMPS

#53549  
Kansas State University, Manhattan—MATTRESS  
PADS

#53550  
Kansas Department of Transportation, Topeka—  
AUGER

#53551  
University of Kansas, Lawrence—ION PUMPS

#53560  
University of Kansas, Lawrence—VACUUM  
CLEANERS

#53563  
Kansas State University, Manhattan—HOOF PADS

#53564  
University of Kansas, Lawrence—AIRBORNE  
WEATHER RADAR SYSTEM

#53567  
Kansas State University, Manhattan—TANDEM DISK  
HARROW, for Southeast Kansas Experiment Station,  
Mound Valley, Kansas

#53568  
Kansas State University, Manhattan—HYDRAULIC  
COMPONENTS

#53572  
Kansas State University, Manhattan—BICYCLE  
RACKS

#53573  
Youth Center At Topeka, Topeka—MISCELLA-  
NEOUS SHOP EQUIPMENT

#53574  
University of Kansas Medical Center, Kansas City—  
RIGID NEPHROSCOPE SYSTEM

#53575  
Kansas Department of Transportation, Topeka—  
TRUCKS, for various locations

#53591  
Kansas Department of Transportation—LIGHT DUTY  
ARTICULATED MOTOR GRADERS, for various loca-  
tions

## FRIDAY, MAY 13, 1983

#53576  
Kansas State University, Manhattan—REFRI-  
GERATED CENTRIFUGE

#53577  
Kansas State University, Manhattan—PLANT  
GROWTH CHAMBER

#53578  
Kansas State University, Manhattan—FEED

#53579  
Kansas State University, Manhattan—FEED

## MONDAY, MAY 16, 1983

#53552  
Kansas State University, Manhattan—MICROCOM-  
PUTER SYSTEMS

## WEDNESDAY, MAY 18, 1983

#25559  
Statewide—PLASTIC BAGS

## THURSDAY, JUNE 16, 1983

#25564  
Kansas Fish and Game Commission, Pratt—LIABIL-  
ITY INSURANCE

NICHOLAS B. ROACH  
Director of Purchases

Doc. No. 001163

## State of Kansas

**SECRETARY OF STATE****KANSAS PUBLIC  
DISCLOSURE COMMISSION****Advisory Opinion No. 83-2**

Written February 16, 1983 to Carl D. Thieszen, Superintendent, Unified School Dist. No. 444, Little River, Kansas 67457.

This opinion is in response to your letter of January 13, 1983, in which you request an opinion from the Kansas Public Disclosure Commission.

We note at the outset that the Commission's jurisdiction in this matter is limited to K.S.A. 75-4301 *et seq.* and K.S.A. 46-215 *et seq.*, the latter sections not applying to your question. 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 in your capacity as superintendent of the Unified School District No. 444, in Little River, Kansas. You advise us that this District has territory in Rice, McPherson, and Ellsworth Counties.

You advise us that a certified public accountant from Lindsborg has been auditing the financial records of the school district for the last two years. Recently, the CPA was elected a county commissioner for McPherson County.

Based on this factual situation, you ask whether there is a conflict of interest in having the CPA continue to audit your financial records while serving as a McPherson County Commissioner.

We have reviewed K.S.A. 75-4301 *et seq.* in its entirety and see no prohibitions in those sections relative to the situation you have described. Thus, it is our opinion that the CPA may continue to audit your financial accounts while serving as the County Commissioner of McPherson County, Kansas.

RICHARD E. DIETZ, Chairman  
By Direction of the Commission

Filed with the Secretary of State April 22, 1983.

**Advisory Opinion No. 83-3**

Written February 16, 1983 to Richard W. Santner, Kansas Rehabilitation Association, 2700 W. 6th, Topeka, Kansas 66606.

This opinion is in response to your letter of January 26, 1983, in which you request an opinion from the Kansas Public Disclosure Commission concerning K.S.A. 46-215 *et seq.*

We understand you to request this opinion in your capacity as a member of the Kansas Rehabilitation Association. We understand the Association to be a not-for-profit corporation whose purpose is educational which is registered with the Secretary of State. You advise us that the Association is made up of sixty percent state employees and forty percent non-state employees. The majority of the state employees are employed by SRS and the Division of Rehabilitation Programs. The non-state employees are primarily em-

ployed in private facilities in Kansas, as well as some private rehabilitation companies, students, handicapped people, and vendors who sell goods and services used by handicapped people.

You advise us that the most visible function of the Kansas Rehabilitation Association is its yearly conference which is held in a different city each year. The conference is designed for professional growth and to that end you bring the best speakers you can afford from around the country. The conference pays for itself through registration fees and advertising in the conference brochure and is designed to break even.

You advise us that the majority of businesses purchasing advertising in the brochure are those that cater in some way to handicapped people, either by the nature of their business or because they would like it to be known that they are accessible. You advise us that state employees who are members of KRA may be involved in solicitation for this conference. Based on this factual situation, you ask the following questions:

1. Does a conflict of interest exist when a member of the Kansas Rehabilitation Association who is a state employee solicits advertising for the conference program?
2. Does a conflict of interest exist when a member of KRA who is a state employee solicits advertising in the form of booth space at the conference?
3. Does a conflict of interest exist when a member of KRA who is a state employee solicits sponsorship of hospitality in the form of food and beverage being offered to the group as a whole while in the presence of the sponsor?

Enclosed you will find a copy of Opinion No. 82-25 which deals with a somewhat analogous situation. There, the question arose as to whether the Kansas Troopers Association, some of whom are state employees, could solicit for a somewhat similar event.

It was our opinion there that so long as the state employees themselves were not involved in the solicitations that the solicitations could be done by the entity itself.

We believe the same is true here. In other words, we do not believe the law prohibits non-state employees from soliciting on behalf of the Kansas Rehabilitation Association, but believe that the law does prohibit state employees from doing so.

We would note that K.S.A. 46-236 does have an exception for any solicitation for the benefit of a charitable organization which meets certain other tests. It does not appear to us that the Kansas Rehabilitation Association is a charitable organization, but if you would like to provide further information on this issue, we would certainly be glad to evaluate the situation in light of that information.

RICHARD E. DIETZ, Chairman  
By Direction of the Commission

Filed with the Secretary of State April 22, 1983

**Advisory Opinion No. 83-4**

Written February 16, 1983 to The Honorable Joan

(continued)

Wagon, Representative, 55th District, c/o Young Women's Christian Association, 225 West 12th Street, Topeka, Kansas.

This opinion is in response to your letter of January 10, 1983, in which you request an opinion from the Kansas Public Disclosure Commission concerning K.S.A. 46-215 *et seq.*

You advise us that you are a Representative from the 55th District in Topeka, Kansas, and also the Executive Director of the YWCA located in Topeka, Kansas.

We understand that the YWCA received reimbursement for child care payments on low income families and reimbursement through the school lunch program. In addition, the YWCA has received grants for a displaced homemaker program and seed grants for child care. Other than these items, the YWCA has no direct contracts with the State of Kansas. We understand the YWCA to be a nonprofit entity and further that none of your salary is supported in any way by state funds.

We further understand that you have talked to the Legislative Counsel and he advised you to request a ruling from this Commission. It is your understanding at this point from your conversations with the Legislative Counsel that there is no conflict of interest in your retaining your position with the YWCA during your service as a legislator so long as you did not vote on any matter that would directly benefit the Topeka YWCA. You request our opinion on this matter.

We have reviewed K.S.A. 46-233 which appears to be the only section of the statutes which is relevant to your inquiry.

From a review of that section, we are satisfied that there is no conflict of interest in your retaining your position as Executive Director of the YWCA during your service as a legislator.

We concur that it would be inappropriate for you to vote on any matter directly relating to a contract between the State of Kansas and the YWCA. However, this prohibition does not go past contractual settings. That is, other legislative matters may certainly be voted upon by you dealing with the YWCA.

In addition, we would note that votes dealing generally with appropriations to agencies which might contract with the YWCA are not within the prohibition. Rather, when a situation exists where you as a legislator might be interested pecuniarily, either directly or indirectly, in a contract with the state, you must file a representation case disclosure form pursuant to K.S.A. 46-239. From our review of the factual circumstances as you have described to us, it does not appear that the limited types of grants that are involved here would indicate a pecuniary interest of yours in those contracts, and thus, it is not our opinion at this time that you need to file the representation case disclosure statement.

If you have any further questions, don't hesitate to contact our staff for guidance.

RICHARD E. DIETZ, Chairman  
By Direction of the Commission

Filed with the Secretary of State April 22, 1983.

### Advisory Opinion No. 83-5

Written April 20, 1983 to J. Matthew Bamford, Vocational Rehabilitation Counselor, Kansas Services for the Blind, Perry Annex, Box 24, 2700 West Sixth Street, Topeka, Kansas 66606.

This opinion is in response to your letter of February 28, 1983, in which you request a letter from the Kansas Public Disclosure Commission.

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

We understand you to request this opinion in your capacity as a vocational rehabilitation counselor with the Kansas Services for the Blind and Visually Handicapped which is an agency of the State Department of Social and Rehabilitation Services.

You advise us that you also serve as a voluntary Regional Representative for the Kansas Plan for the Deaf-Blind. We understand the Kansas Plan for the Deaf-Blind to be a non-profit association funded by State funds which is a private entity that coordinates services for the deaf and blind.

You indicate to us that you have been approached by the Kansas Plan for the Deaf-Blind to attend a meeting in Chicago, Illinois, at their expense, in order to gain needed information regarding the Deaf-Blind relative to the program of the Kansas Plan for the Deaf-Blind. You advise us that you do not have any power or authority to control funds of the Kansas Plan for the Deaf-Blind nor for grants made to that entity from the State of Kansas.

Based on this factual situation, we understand you to ask whether you may accept the expenses to attend the meeting as a representative of the Kansas Plan for the Deaf-Blind during your service as a State officer or employee.

In Opinion No. 74-65 we discussed an analogous situation. There, a member of the legislature was also the president of a professional association and the question was asked whether the association could reimburse the president's travel expenses when he was acting in that capacity. We noted then that we would assume, so long as the expenditures were reasonable and solely related to the president's role as such in the association, that the provision of expenses would not be considered to be done with a "major purpose" to influence the president in his role as a legislator. We went on to note, absent evidence to the contrary of the intent of the parties, that no inferences of wrongdoing should arise under the applicable sections contained within K.S.A. 46-215 *et seq.*

We believe the same analysis is applicable to the situation you have described. Thus, it is our opinion, subject to the conditions we have just discussed, and so long as you do not have funding approval either on

(continued)

behalf of the State or the Kansas Plan for the Deaf-Blind, that the situation you have described does not violate K.S.A. 46-215 *et seq.*

LOWELL ABELDT, Vice-Chairman  
By Direction of the Commission

Filed with the Secretary of State April 21, 1983

**Advisory Opinion No. 83-6**

Written April 20, 1983 to Mrs. Lee Gordanier, Office of City Clerk, Randall, Kansas 66963.

This opinion is in response to your letter of March 21, 1983, in which you request an opinion from 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. 75-4301 *et seq.* and 46-215 *et seq.*, the latter sections not applying to your questions. 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 in your capacity as the City Clerk for Randall, Kansas. You advise us that the incumbent mayor of the City is running for reelection and her husband is also running for a seat on the City Council. You advise us that the husband also owns and operates the only solid waste business in the county and currently has a contract with the City negotiated before his wife became mayor. We understand the contract with the City will come up again at some point in time after the next election.

Based on this factual situation, we understand you to ask whether the husband may contract with the City for solid waste disposal while either he or his wife serve on the City Council and if so, under what circumstances.

K.S.A. 75-4304 and K.S.A. 75-4305 apply to your question.

K.S.A. 75-4304 states:

Public officers and employees prohibited from making certain contracts; abstaining from action, effect; exceptions. (a) 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.

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.

K.S.A. 75-4305 states:

Public officers and employees to file report of interest in business affected by official acts; abstaining from action, effect. Any public officer or employee who has not filed a disclosure of substantial interests and who, while acting in his or her official capacity, shall pass upon any matter which will affect any business in which such officer or employee shall hold a substantial interest, shall, before he or she acts upon such matter, file a written report of the nature of said interest with the office of the secretary of state, if such person is a state officer or employee, or if such person is an officer or employee of a municipal or quasi-municipal corporation, with the county clerk of the county in which all or the largest geographical part of such municipal or quasi-municipal corporation is located. A public officer or employee does not pass or act upon any matter if he or she abstains from any action in regard to the matter.

From a review of these sections, it is our opinion that the husband may contract with the City for solid waste disposal under both K.S.A. 75-4304 and K.S.A. 75-4305 so long as he and his wife (assuming one or the other is elected) totally abstain in their official capacity as members of the City Council in the making of the contract with the solid waste business. If this guideline is followed, then competitive bidding would not be required under the conflicts law and whether competitive bidding is otherwise required is outside of our jurisdiction.

As an alternative, if the contract is let after competitive bidding pursuant to K.S.A. 75-4304(a)(1), then a public official may participate in the competitive bidding process in the official's public capacity with a business in which the official holds a substantial interest, but must under K.S.A. 75-4305 either have filed a disclosure statement or file one before acting on the competitive bidding process.

If you have any further questions on this matter, don't hesitate to contact us for further guidance.

LOWELL ABELDT, Vice-Chairman  
By Direction of the Commission

Filed with the Secretary of State April 21, 1983.

Doc. No. 001166

(Published in the KANSAS REGISTER, April 28, 1983.)

(Published in the KANSAS REGISTER, April 28, 1983.)

**BOARD OF TRUSTEES OF  
HIGHLAND COMMUNITY COLLEGE**

**NOTICE OF INTENT  
TO ISSUE REVENUE BONDS**

**TO ALL PERSONS CONCERNED:**

You are hereby notified that the Board of Trustees of Highland Community College, Highland, Kansas, did on the 13th day of April, 1983, duly adopt a resolution under authority of 76-6a13 to 76-6a25 of the Kansas Statutes Annotated, as amended, authorizing the issuance by said Board of Trustees of revenue bonds in the aggregate amount of \$30,000 for the purpose of paying a part of the costs of constructing, furnishing and equipping additions to its student union buildings for food service purposes ("the facility") on the campus of the Highland Community College, Highland, Kansas.

Said bonds, when issued, shall be payable as to both principal and interest solely and only out of the income and revenues arising from the operation of the facility for which such bonds are issued, and in addition thereto, in the discretion of the Board of Trustees, out of one or both of the following additional sources:

- (i) The proceeds of any grant in aid of such facility from whatever source received;
- (ii) The net income and revenues arising from the operation of another building or facility to be designated by the Board of Trustees and already owned and operated by said Board and located on the campus of Highland Community College;

and not from any other fund or source.

You are further notified that unless an action to contest the legality of the proposed revenue bonds shall be filed in a court of law within thirty (30) days of the date of this publication, the right to contest the legality of any bonds issued in compliance with said resolution and proceedings taken by said Board of Trustees prior to the date of this publication and the right to contest the validity of the provisions of such proceedings shall cease to exist and no court shall thereafter have authority to inquire into such matters, and after the expiration of said thirty (30) days, no one shall have any right to commence an action contesting the validity of such bonds or the provisions of such proceedings and all such bonds shall be conclusively presumed to be legal and no court thereafter shall have authority to inquire into such matters.

**ROBERT A. REEDER**  
President, Board of Trustees  
of Highland Community College  
Attest: **HILDA TRIPLETT**  
Secretary

Doc. No. 001136

**NOTICE OF BOND SALE  
\$700,000  
CITY OF OXFORD, KANSAS  
GENERAL OBLIGATION BONDS  
SERIES A, 1983**

The City of Oxford, Kansas will receive sealed bids at the Office of the City Clerk, City Hall, Oxford, Kansas, until 7:00 o'clock p.m., C.D.T., on  
**TUESDAY, MAY 3, 1983**

for \$700,000 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.

All of the Bonds will be negotiable coupon bonds, will be in denominations of \$5,000 each, and the Bonds will be dated June 1, 1983. The Bonds will mature serially in accordance with the following schedule:

<i>Principal Amount</i>	<i>Maturity Date</i>	<i>Principal Amount</i>	<i>Maturity Date</i>
\$20,000	December 1, 1985	\$50,000	December 1, 1992
30,000	December 1, 1986	55,000	December 1, 1993
30,000	December 1, 1987	60,000	December 1, 1994
35,000	December 1, 1988	65,000	December 1, 1995
35,000	December 1, 1989	70,000	December 1, 1996
40,000	December 1, 1990	80,000	December 1, 1997
45,000	December 1, 1991	85,000	December 1, 1998

Interest on the Bonds will first be payable on June 1, 1984, and thereafter, semi-annually on the first days of June and December 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.

Bonds of the issue maturing December 1, 1993, and thereafter, shall be subject to call and redemption prior to their respective maturities, in inverse numerical order, at the option of the City on December 1, 1992, or on any interest payment date thereafter, at a price of par, accrued interest to the date of redemption, plus a premium (expressed as a percentage of principal amount) as set out below:

<i>Redemption Period (Dated Inclusive)</i>	<i>Redemption Period</i>
December 1, 1992, through June 1, 1994	2%
December 1, 1994, through June 1, 1996	1%
December 1, 1996, and thereafter	0%

Notice of any such call for redemption and payment will be given by the City by publication one time, at least thirty (30) days prior to the effective date of redemption, in the official newspaper of the state of Kansas.

*Types of Bids and Interest Rates*

Proposals will be received on the Bonds bearing such rate or rates of interest, not exceeding five (5) different interest rates, or four (4) coupon changes, 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. The difference between the highest and lowest coupon rates specified in any bid shall not exceed three percent (3%). Each interest rate speci-

(continued)

fied shall be in an even multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%). No interest rate shall exceed the maximum interest rate allowed by Kansas law; said rate being two percent (2%) above the Bond Buyer's 20 Bond Index, published in the *Weekly Bond Buyer* on Monday, May 2, 1983, 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 considered. 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 City, and shall be addressed to the City at City Hall, Oxford, Kansas 67119, Attention: Judy Houston, City Clerk, 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 City 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 percent (2%) of the total amount of the bid, and shall be payable to Treasurer, City of Oxford, 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 promptly.

*Basis for Award*

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 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.

*Delivery*

The Bonds, duly printed, executed and registered, will be furnished and paid for by the City. The Bonds will be sold subject to the unqualified approving opinion of Gaar & Bell, Bond Counsel, Wichita, Kansas, whose opinion will be paid for by the City. 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. Payment for the Bonds shall be made in immediately available funds. Delivery of the Bonds will be made to the successful bidder on or before June 15, 1983, at any bank in the State of Kansas or Kansas City, Missouri, at the expense of the City. Delivery elsewhere will be made at the expense of the purchaser.

It is anticipated that CUSIP identification numbers will be printed on the Bonds; but neither the failure to print such numbers on any Bond nor any error with

respect thereto shall constitute cause for a failure by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its Contract and this Notice of Bond Sale. All expenses in connection with the printing of CUSIP numbers on the Bonds shall be paid for by the City.

*Security*

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 Bonds are being issued for the purpose of paying a portion of the city-at-large costs of developing an insular supply of water, constructing a water tower, water supply and distribution system, and all necessary appurtenances thereto in the City of Oxford, Kansas.

*Financial Information*

Assessed valuation figures for the City of Oxford, Kansas, for the year 1982, are as follows:

Equalized Assessed Valuation of Taxable Tangible Property	\$1,326,324
Tangible Valuation of Motor Vehicles	562,974
Tangible Valuation of Motor Vehicle Dealers Inventory	-0-
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	<u>\$1,889,298</u>

The total bonded indebtedness of the City of Oxford, Kansas, at the date hereof, including this \$700,000 proposed issue of Bonds, is in the amount of \$802,478. The City will retire \$620,000 of outstanding Temporary Notes from the proceeds of the Bonds, and other available funds. The City anticipates the sale of approximately \$40,000 in additional bonds on or about August 1, 1983, to pay the balance of the cost of the Project.

DATED April 18, 1983.

JUDY HOUSTON, City Clerk  
City of Oxford, Kansas

Doc. No. 001135



(Published in the KANSAS REGISTER, April 28, 1983.)

**NOTICE OF BOND SALE  
\$215,000 SCHOOL IMPROVEMENT BONDS  
OF  
UNIFIED SCHOOL DISTRICT NO. 487  
DICKINSON COUNTY  
STATE OF KANSAS  
(GENERAL OBLIGATION BONDS)**

Written sealed bids will be received by Unified School District No. 487, Dickinson County, State of Kansas (the "District"), at 8:00 p.m. local time on May 4, 1983 at the School District Office, 209 E. Catalpa Street, Herington, Kansas, for the sale of \$215,000 in principal amount of School Improvement Bonds, Series 1983 of the District, at which time and place said bids will be publicly opened.

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.

The bonds will be dated May 1, 1983. The total par value of the issue is \$215,000. The bonds will be coupon bonds in denominations of \$5,000 each and will mature as follows:

Bond Nos.	Amount	Maturity November 1:
1-6	\$30,000	1984
7-12	30,000	1985
13-19	35,000	1986
20-26	35,000	1987
27-34	40,000	1988
35-43	45,000	1989

Interest will become due and payable on the first day of May, 1984 and thereafter on the first day of November and May in each year until paid. Both principal and interest on the Bonds will be payable at the office of the State Treasurer in Topeka, Kansas.

The interest rates will be supplied by the bidder at the lowest rate or rates at which he will pay not less than par and accrued interest. Not more than four (4) different rates shall be specified in any bid, and one rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of one-eighth or one-twentieth of one percent.

Each bid shall specify the total interest cost of the District 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 interest rate to the District on the basis of such bid.

The District will rely upon the representation as to the total net interest cost in awarding the bonds to the successful bidder. The bonds will be sold to the bidder with the lowest net interest cost, provided that the District reserves the right to reject any or all of the bids and may waive any irregularities in the bidding.

The bonds, printed, executed and registered will be furnished by the District and the bonds will be sold subject to the legal opinion of Cosgrove, Webb & Oman of Topeka, Kansas, whose unqualified approving opinion will be furnished, and all services respecting the issue will be paid for by the District except as herein stated. The bonds will be delivered to the purchaser in the cities of Topeka or Wichita,

Kansas or Kansas City, Missouri, at the District's expense, on or before June 10, 1982 and the successful bidder will be given notice of the delivery date.

The proceeds of the bonds will be used for the purpose of improving the school facilities of the District, by the replacement of boilers and appurtenances, the improvement of auditorium curtains and other auditorium facilities, the improvement of school entries, the improvement of playground facilities, the improvement of football field and related facilities, the replacement of classroom furniture and equipment, the improvement of drainage, and the purchase of school buses, pursuant to K.S.A. 72-6761, 75-2315 *et seq.* and 10-101 *et seq.* The bonds will constitute the general obligations of the District payable from taxes levied upon all of the taxable tangible real and personal property in said District.

The assessed valuation of the District for the year 1982 is \$10,920,203, not including a \$650,000 estimated valuation of motor vehicles. The present bonded indebtedness of the District is \$29,000 general obligation bonds and \$10,000 general obligation temporary notes.

At the request of the successful bidder, CUSIP identification numbers will be printed on said bonds, but neither the failure to print such numbers 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 said bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on said bonds will be paid for by the District. The CUSIP Service Bureau charge for the assignment of said numbers will be the responsibility of and must be paid for by the purchaser.

A good faith deposit by cashier's or certified check in the amount of 2% of the total par value of the bonds shall accompany such bid; and in case a purchaser whose bid is accepted shall fail to carry out his contract of purchase, the deposit will be forfeited to the District.

Proposals should be made on the bid form prepared by the District, and should be delivered to Gary Floyd, President, Board of Education, Unified School District No. 487, 209 E. Catalpa Street, Herington, Kansas 67449.

Further information may be obtained from the District's financial advisor, George K. Baum & Company, 1004 Baltimore Avenue, Kansas City, Missouri 64105 (816-474-1100).

SALLY CATLIN, Clerk  
Board of Education  
Unified School District No. 487  
Dickinson County, State of Kansas

Doc. No. 001137



(Published in the KANSAS REGISTER, April 28, 1983.)

**NOTICE OF BOND SALE  
GENERAL OBLIGATION BRIDGE BONDS  
TOTAL AMOUNT OF \$998,475.00  
DATED MAY 1, 1983**

**\$998,475.00**

**GENERAL OBLIGATION BRIDGE BONDS  
SERIES C 1983 SEDGWICK COUNTY  
STATE OF KANSAS (10 Year Bonds)**

Written sealed bids only will be received by the Board of County Commissioners of Sedgwick County, state of Kansas, at the office of the Board of County Commissioners, Wichita, Kansas, at the Sedgwick County Courthouse, Wichita, Kansas 67203, on Wednesday, May 11, 1983, at 10:00 A.M., Daylight Savings Time, at which time and place all proposals will be publicly opened, read aloud and considered for the purchase of all, but not less than all of \$998,475.00 General Obligation Bridge Bonds, Series C 1983, one through ten year bonds.

The maturity schedule is as follows: (This issue will be dated May 1, 1983.)

Number	Amount	Maturity
	\$998,475.00	
	G.O. BRIDGE BONDS	
	SERIES C 1983	
1	\$ 3,475.00	October 1, 1984
2-20	95,000.00	October 1, 1984
21-40	100,000.00	October 1, 1985
41-60	100,000.00	October 1, 1986
61-80	100,000.00	October 1, 1987
81-100	100,000.00	October 1, 1988
101-120	100,000.00	October 1, 1989
121-140	100,000.00	October 1, 1990
141-160	100,000.00	October 1, 1991
161-180	100,000.00	October 1, 1992
181-200	100,000.00	October 1, 1993

First interest is due on this issue on April 1, 1984, and semiannually thereafter on October 1 and April 1 of each year until the principal sum is paid. Both principal and interest on said bonds will be payable at the Office of the State Treasurer in the City of Topeka, Kansas. These bonds are not callable.

These bonds are a general obligation of Sedgwick County, Kansas. Said bonds are being issued for the purpose of certain county bridge improvements, all as provided by law by Sections 68-1103 and 68-1106, K.S.A., and any amendments thereto.

Proposals will be received on bonds bearing such rate or rates of interest not exceeding five different interest rates as may be specified by the bidder. 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 or one-tenth of one percent. No interest rate shall exceed the legal rate therefor as provided by the laws of the state of Kansas. The maximum stated rate, determined on the date the bonds are sold, 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%. Bids involving the use of extra or supplemental coupons will not be considered. CUSIP

numbers will be printed on the bonds. The County will apply for a Moody's Rating for these bonds. The last Moody's Rating was "AA."

Bids shall be submitted on contract forms with the usual information thereon and should be addressed to: "Board of County Commissioners, Sedgwick County Courthouse, Wichita, Kansas 67203," plainly marked, "Bond Bid." All bids must state the total interest of the bid and the average interest rate, all certified by the bidder to be correct, and the County will be entitled to rely upon such representations. Each bid must be accompanied by a certified or cashier's check in the amount of \$19,969.50, payable to Sedgwick County, state of 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 County as liquidated damages. The checks of unsuccessful bidders will be returned.

Said bonds, duly printed, executed and registered, will be furnished and paid for by said County, and the said bonds will be sold subject to the legal opinion of William P. Timmerman, Attorney and Bond Counsel, 400 North Woodlawn, Wichita, Kansas 67208, whose unqualified approving opinions will be furnished and paid for by the County. Delivery of said bonds will be made to the successful bidder on or about June 10, 1983, at any bank in the state of Kansas, or Kansas City, Missouri, at the expense of the County. Delivery elsewhere will be made at the purchaser's expense. The bond opinion will be printed on the back of each bond.

Said bonds will be paid by a general ad valorem levy on all of the taxable, tangible property located within the boundaries of Sedgwick County, if necessary, and as such constitute a general obligation of said County.

Such sealed bids shall be opened publicly and only at the time and place specified in this notice, and the bonds will be sold to the highest bidder. The County reserves the right to reject any and/or all bids and to waive any and all 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 issuer, and the net interest cost will be determined by deducting the amount of any premium paid from the aggregate amount of interest upon all bonds from their date until their respective maturities.

Debt picture as of May 1, 1983.

The assessed valuation of Sedgwick County, Kansas, for the year 1982 is \$1,481,438,322.00 (30% of full value). Estimated full value \$4,938,127,740.00. Population of the County is approximately 370,000. Estimated market value \$11,916,761,123.00.

The total bonded indebtedness of Sedgwick County, Kansas, is \$25,547,481.65, including this 1983 issue Series C, now being sold. Said County also has outstanding Temporary Notes of \$2,348,691.00.

(\$20,287,481.65 of the above bond is exempt by law and all above note debt is exempt.)

Underlapping debt is:

(As of July 1, 1982)

School Districts in the County \$36,910,000.00

(continued)

All cities in the County including the City of Wichita, \$119,432,757.16 Bonds. (This includes G.O. and Specials.)

Sedgwick County Fire District \$1,620,000.00.

Improvement District of which County is not liable \$3,333,693.86

Special Improvement Districts in the County of which the County is not liable \$3,333,693.86

JACK SPRATT, Chairman  
Board of County Commissioners  
Sedgwick County, State of Kansas

DOROTHY K. WHITE  
County Clerk

Doc. No. 001148

(Published in the KANSAS REGISTER, April 28, 1983.)

**NOTICE OF BOND SALE**  
**\$672,760.29**  
**GENERAL OBLIGATION BONDS**  
**OF THE**  
**CITY OF LEOTI, KANSAS**

The CITY OF LEOTI, KANSAS will receive sealed bids at the OFFICE OF THE CITY CLERK, P.O. BOX 7E, LEOTI, KANSAS, until 4:00 o'clock P.M., C.D.T., on

**MONDAY, MAY 9, 1983**

for \$672,760.29 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.

All of the Bonds will be negotiable coupon Bonds, will be in denominations of \$5,000.00 each, except No. 1 in denomination of \$2,760.29, and the Bonds will be dated May 1, 1983. The Bonds will mature serially in accordance with the following schedule:

<i>Principal Amount</i>	<i>Maturity Date</i>
\$52,760.29	October 1, 1984
60,000.00	October 1, 1985
65,000.00	October 1, 1986
70,000.00	October 1, 1987
70,000.00	October 1, 1988
70,000.00	October 1, 1989
70,000.00	October 1, 1990
70,000.00	October 1, 1991
70,000.00	October 1, 1992
75,000.00	October 1, 1993

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 percent

(1%). The difference between the highest and lowest coupon rates specified in any bid shall not exceed two percent (2%). No interest rate shall exceed the maximum interest rate allowed by Kansas law, said rate being two percent (2%) above the Bond Buyer's 20 Bond Index, published in the *Weekly Bond Buyer* on Monday, May 2, 1983, 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 considered. 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 City, and shall be addressed to the City at CITY HALL, P.O. BOX 7E, LEOTI, KANSAS 67861, ATTENTION: MOLLY FULLERTON, CITY CLERK, 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 City 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 percent (2%) of the total amount of the bid, and shall be payable to TREASURER, CITY OF LEOTI, 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 promptly.

The Bonds, duly printed, executed and registered, will be furnished and paid for by the City; 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 City. 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. Payment for the Bonds shall be made in immediately available federal reserve funds. Delivery of the Bonds will be made to the successful bidder on or before JUNE 23, 1983, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, at the expense of the City. Delivery elsewhere will be made at the expense of the purchaser.

It is anticipated that CUSIP identification numbers will be printed on the Bonds; but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its Contract and this Notice of Bond Sale. All expenses in connection with the printing of CUSIP numbers on the Bonds shall be paid for by the City.

The Bonds will constitute general obligations of the City, 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 re-

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mainder 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 City. The Bonds are being issued for the purpose of various water, sewer and street improvements in the City.

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 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.

Assessed valuation figures for the City of Leoti, Kansas, for the year 1982, are as follows:

Equalized Assessed Valuation of Taxable, Tangible Property	\$4,355,265
Tangible Valuation of Motor Vehicles	348,282
Tangible Valuation of Motor Vehicle Dealers' Inventory	<u>60,390</u>
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	\$4,763,937

The total bonded indebtedness of the City of Leoti, Kansas, at the date hereof, including this \$672,760.29 proposed issue of Bonds, is in the amount of \$1,010,435.87. The City will retire \$673,840.00 of outstanding Temporary Notes from the proceeds of the Bonds, special assessments which have been collected in cash, and other available funds.

DATED April 4, 1983.

MOLLY FULLERTON  
City Clerk  
City of Leoti, Kansas

Doc. No. 001168

(Published in the KANSAS REGISTER, April 28, 1983.)

**NOTICE OF REDEMPTION  
CITY OF HUTCHINSON, KANSAS  
SEWAGE TREATMENT PLANT AND  
SYSTEM REVENUE BONDS  
SERIES 1958-A**

NOTICE IS HEREBY GIVEN to the holders of the Sewage Treatment Plant and System Revenue Bonds, Series 1958-A, of the City of Hutchinson, Kansas (the "City"), dated June 1, 1958, that the City hereby calls for redemption on June 1, 1983, the following bonds of said series:

Bond Numbers	Principal Amount	Maturity December 1	Interest Rate
1471-1575	\$105,000	1983	4.25%
1576-1685	110,000	1984	4.25%
1686-1800	115,000	1985	4.25%
1801-1920	120,000	1986	4.25%
1921-2040	120,000	1987	4.25%

On such date, each of the aforesaid bonds shall become due and payable at a redemption price equal to 102% of the principal amount thereof, plus accrued interest thereon to June 1, 1983, and from and after such redemption date interest shall cease to accrue and be payable on said bonds.

Dated this 19th day of April 1983.

CITY OF HUTCHINSON, KANSAS  
By VERNON STALLMAN  
City Clerk

Doc. No. 001167

**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. 1982 Supp. 77-415 *et seq.* *These regulations are scheduled to become effective May 1, 1983, 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 5, 1983 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

**BOARD OF BARBER EXAMINERS  
ADMINISTRATIVE REGULATIONS**

**Article 1.—SANITARY RULES AND REGULATIONS GOVERNING BARBER SHOPS, SCHOOLS AND COLLEGES AND PUBLIC RESTROOMS IN CONNECTION THEREWITH**

**61-1-18.** (Authorized by K.S.A. 74-1805; effective Jan. 1, 1966; amended May 1, 1982; revoked May 1, 1983.)

**61-1-25.** (Authorized by K.S.A. 65-1825, 74-1806; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1981; revoked May 1, 1983.)

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**61-1-31.** Lump alum, styptic sticks or pencils, powder puffs, sponges, neck dusters, finger or towel bowls; use prohibited. The use of lump alum, styptic sticks or pencils, powder puffs, sponges, neck dusters, finger or towel bowls is prohibited. (Authorized by K.S.A. 74-1806; implementing K.S.A. 1982 Supp. 74-1805; effective May 1, 1981; amended May 1, 1983.)

**Article 3.—SCHOOLS; REQUIREMENTS**

**61-3-3.** Subjects required in course of instruction. Each school or college shall conduct regular classes teaching the theory and practice of all phases of barbering. The course of instruction shall include the following subjects:

(a) *Supervised practice.* Scalp care and shampooing; honing and stropping; shaving; facials, massages and packs; haircutting; hair styling; hair tonics and singeing; arranging, coloring, bleaching, tinting and dyeing the hair.

(b) *Demonstrations and lectures.* Scientific fundamentals of barbering, hygiene, general; histology of the hair and skin; hair styling; anatomy, including particularly structure of the head, face and neck; elementary chemistry relating to sterilization and antiseptics; law, ethics, economics, equipment and shop management; history of barbering; sanitation, sterilization, personal hygiene and first aid; bacteriology; skin, scalp, hair and their common disorders; electricity, as applied to barbering; chemistry and pharmacology; scalp care; honing and stropping; shaving; facials, massage and packs; haircutting; permanent waving; hair tonics and singeing; dyeing and bleaching; instruments, soaps, shampoos, creams, lotions and tonics. (Authorized by K.S.A. 65-1825; implementing K.S.A. 1982 Supp. 65-1810; effective Jan. 1, 1966; amended May 1, 1983.)

**61-3-24.** Eligibility to take registered barber examination. A person shall not be permitted to take an examination conducted by the state board of barber examiners to determine his or her fitness to practice as a registered barber, as provided in K.S.A. 1982 Supp. 65-1812, until he or she has furnished the board with evidence of his or her satisfactory completion of the regular course of study at any school or college of barbering which complies with the standards and offers the course of study established by this article for schools and colleges of barbering, and which has been approved by the state board of barber examiners. (Authorized by K.S.A. 65-1825; implementing K.S.A. 1982 Supp. 65-1812; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1982; amended May 1, 1983.)

**Article 4.—ISSUANCE, RENEWAL, REVOCATION AND SUSPENSION OF CERTIFICATES OF REGISTRATION**

**61-4-2.** Renewal of licenses and certificates of registration. (a) All barber, shop owner, chair lessee, and instructor licenses shall be renewed on an alphabetical basis as follows:

(1) Barbers, shop owners, chair lessees, and instruc-

tors whose last name begins A-C and M-O shall renew their licenses annually on or before March 31.

(2) Barbers, shop owners, chair lessees, and instructors whose last name begins D-F and P-R shall renew their licenses annually on or before June 30.

(3) Barbers, shop owners, chair lessees, and instructors whose last name begins G-I and S-U shall renew their licenses annually on or before September 30.

(4) Barbers, shop owners, chair lessees, and instructors whose last name begins J-L and V-Z shall renew their licenses annually on or before December 31.

(b) The restoration fee for late renewals shall be an amount which is less than the license fee, for the first 30 days after the expiration date. After this 30 day period the restoration fee shall be the full amount of the license fee.

(c) Students, upon passing the master barber examination, shall be issued a barber license, the cost of which shall be prorated. This license shall expire in the proper quarter as provided in subsection (a).

(d) The barber schools and colleges shall continue to renew their licenses annually on or before December 31. (Authorized by K.S.A. 65-1825; implementing K.S.A. 1982 Supp. 65-1819; effective, E-81-37, Dec. 10, 1980; effective May 1, 1981; amended May 1, 1982; amended May 1, 1983.)

**Article 5.—APPLICATIONS**

**61-5-1.** Limitation on filing date. Any person who desires to practice barbering shall file with the board a completed application with proper amount of fees not later than 15 days before the examination. (Authorized by K.S.A. 65-1825; implementing K.S.A. 1982 Supp. 65-1817; effective Jan. 1, 1966; amended May 1, 1982; amended May 1, 1983.)

**Article 7.—FEES**

**61-7-1.** Fees. The board of barber examiners shall charge the following fees as provided in statute.

For examination of applicant to practice as a barber . . . . .	\$ 40
For issuance of certificate to practice as a barber . . . . .	35
For renewal of certificate to practice as a barber . . . . .	35
For restoration of expired certificate, less than thirty days late . . . . .	20
For restoration of expired certificate to practice as a barber, under three years old, each year . . . . .	35
After three years applicant shall be reexamined upon payment of the regular examination fee . . . . .	40
For teacher's certificate or annual renewal thereof . . . . .	40
For restoration of expired teacher's certificate, under three years old, each year . . . . .	40
After three years the teacher shall be reexamined upon payment of the regular examination fee . . . . .	110
For permit to operate a barber school or barber college, annual fee . . . . .	330
For shop inspection, and annual license fee . . . . .	15
For a new shop, relocation or change of ownership . . . . .	40
For issuance of a seminar permit . . . . .	30

(Authorized by K.S.A. 65-1825; implementing K.S.A. 1982 Supp. 65-1817; effective May 1, 1983.)

**BOARD OF BARBER EXAMINERS**

Doc. No. 001114

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. 1982 Supp. 77-415 *et seq.* *These regulations are scheduled to become effective May 1, 1983, 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 5, 1983 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

**BOARD OF COSMETOLOGY  
ADMINISTRATIVE REGULATIONS**

**Article 11.—FEES**

**69-11-1. Fees.** The board of cosmetology shall charge within the limits of the statutes the following fees:

Cosmetology license renewal .....	\$14.00
Delinquent cosmetology fee .....	4.00
Cosmetology technician license .....	7.00
3 year senior cosmetology license .....	24.00
Manicurist license renewal .....	6.00
Delinquent manicurist fee .....	4.00
Apprentice license .....	10.00
Additional training license .....	6.00
Student examination .....	15.00
Out-of-state applicant .....	35.00
New school license .....	100.00
School license renewal .....	25.00
New beauty shop license .....	20.00
Beauty shop license renewal .....	15.00
Delinquent beauty shop license fee .....	6.00
Transfer of beauty shop license .....	10.00
Out-of-state affidavit .....	2.00
Any duplicate license .....	2.00

(Authorized by and implementing K.S.A. 1982 Supp. 65-1904; effective, E-76-44, Sep. 5, 1975; effective Feb. 15, 1977; amended May 1, 1978; amended May 1, 1981; amended May 1, 1982; amended, T-83-21, July 21, 1982; amended May 1, 1983.)

**69-11-2. Expiration dates for licenses.** Cosmetology licenses shall be renewed on a biennial basis beginning July 1, 1982. Licenses shall expire on the last day of the licensee's birth month in: (a) Even years for licensees with an even numbered birth year; or (b) Odd years for licensees with an odd numbered birth year. (Authorized by and implementing K.S.A. 1982 Supp. 65-1904; effective, T-83-21, July 21, 1982; effective May 1, 1983.)

**HENRI FOURNIER**  
Executive Director

Doc. No. 001111

State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

**NOTICE**

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**OFFICE OF THE  
SECURITIES COMMISSIONER  
ADMINISTRATIVE REGULATIONS**

**Article 5.—“BLUE CHIP” EXEMPTION**

**81-5-1. “Blue chip” exemption.** Any security which meets all of the following conditions shall be exempted under K.S.A. 17-1261(g), as amended:

(a) if the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of such agent in its prospectus;

(b) a class of the issuer's securities is required to be and is registered under section 12 of the securities exchange act of 1934, and has been so registered for the three (3) years immediately preceding the offering date;

(c) neither the issuer nor a significant subsidiary has had a material default during the last seven (7) years (or the issuer's existence if less than seven (7) years) in the payment of: (1) principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money, or (2) rentals under leases with terms of three (3) years or more;

(d) the issuer has had consolidated net income (before extraordinary items and the cumulative effect of accounting changes) of at least one million dollars (\$1,000,000) in four of its last five (5) fiscal years including its last fiscal year. If the offering is of interest bearing securities, the issuer has had for its last fiscal year net income, before deduction for income taxes and depreciation, of at least one and one-half (1½) times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. “Last fiscal year” means the most recent year for which audited financial statements are available, provided that such statements cover a fiscal period ended not more than fifteen (15) months from the commencement of the offering;

(e) if the offering is of stock or shares, other than preferred stock or shares, such securities have voting rights and such rights include: (1) the right to have at least as many votes per share, and (2) the right to vote on at least as many general corporate decisions, as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law; and

(f) if the offering is of stock or shares, other than

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preferred stock or shares, such securities are owned beneficially or of record, on any date within six (6) months prior to the commencement of the offering, by at least twelve hundred (1,200) persons, and on such date there are at least seven hundred fifty thousand (750,000) such shares outstanding with an aggregate market value, based on the average bid price for that day, of at least three million seven hundred fifty thousand dollars (\$3,750,000). To determine the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this section upon written information furnished by the record owners.

(g) Any security issued or guaranteed as to both principal and interest by an international bank of which the United States is a member shall be exempted without regard to the conditions in this section.

(h) If the offering is of interest bearing securities of a finance company with liquid assets of at least 105 percent (105%) of its liabilities (other than deferred income taxes, deferred investment tax credits, capital stock and surplus) at the end of each of its last five (5) fiscal years, the applicable net income requirement of section (d), before deduction for interest expense, shall be one and one-quarter ( $1\frac{1}{4}$ ) times the issuer's annual interest expense. "Finance company" means a company engaged primarily in the business of wholesale, retail, installment, mortgage, commercial, industrial or consumer financing, banking or factoring. "Liquid assets" means cash, receivables payable on demand or not more than twelve years following the close of the company's last fiscal year, and readily marketable securities in each case less applicable reserves and unearned income. (Authorized by K.S.A. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1261(g); effective Jan. 1, 1966; amended, E-77-40, Aug. 12, 1976; amended Feb. 15, 1977; amended, E-80-23, Dec. 12, 1979; amended May 1, 1980; amended May 1, 1983.)

**81-5-2. Non-profit religious organization exemption.** (a) If the total amount of securities to be issued will not exceed twenty-five thousand dollars (\$25,000), a religious organization applying for a certificate of exemption pursuant to K.S.A. 1982 Supp. 17-1261(h) shall file with the commissioner the following documents.

(1) A copy of all sales material to be used in connection with the offering shall be filed with the commissioner.

(2) A draft of the offering circular, signed by two officers of the issuer, which contains the following information and documents shall be filed with the commissioner:

(A) a financial statement consisting of a statement of assets and liabilities, income and expense statements, and comparative figures showing the budget, number of pledging units, and income and expenses for the past three (3) years. If any or all of this information is not available, a statement to that effect shall be made with an explanation of why it is not available. Obligations, if any, on existing church indebtedness shall be clearly stated;

(B) a pay-back or maturity schedule. If sinking fund

requirements exist, a statement explaining such requirements shall be included. If refinancing is needed when the securities mature, such securities shall be indicated;

(C) a statement identifying the trustee and paying agent;

(D) a schedule showing the amount of return to be received if specific provisions exist for reinvesting interest received and if interest coupons are reinvested;

(E) a statement disclosing any past history of financial transactions between church and the broker-dealer or church security financing organization. Any known or contemplated future transactions shall be disclosed in the prospectus or offering circular;

(F) a statement identifying the name and address of the broker-dealer handling the issue and the name and address of the local representative of the broker-dealer, if the name of the local representative is known at the time the prospectus is prepared. A statement disclosing the total offering expenses of the issue, including remuneration to the broker-dealer shall be included;

(G) a statement disclosing whether the offering is made only to church members, or whether it is being made to the public at large including church members, and whether it is on a best efforts basis;

(H) an itemized statement indicating the proposed use of proceeds. If additional funds are needed to accomplish the stated purposes, this shall be disclosed, together with a statement showing how the funds will be obtained;

(I) a statement disclosing the risks associated with the investment. Statements to the effect that little or no risk is involved in buying church securities shall be regarded as material misrepresentations. Likewise, comparison with other investments solely on the basis of the interest return paid shall be considered misleading, unless other comparative aspects of these investments are also described;

(J) a statement describing the ability of that organization to guarantee, including financials, if guarantees of payment are made by church affiliated organizations or otherwise. The word "guarantee" shall not be used to describe the obligation by another entity;

(K) a copy of an independent appraisal of the real estate, if the security for said offering is in part the real estate of a religious organization. A statement shall be made concerning whether the sale of additional church securities may be authorized with the same underlying security;

(L) a brief summary stating the background and experience of the minister and any other important church official;

(M) if the offering has not been registered with the securities and exchange commission or with the state securities commission of the state of domicile, a statement disclosing this fact;

(N) a statement identifying the geographic location of the church;

(O) an attorney's title opinion or a mortgagee's title policy stating that the church has good title and that the mortgagee has a first lien, if the issue is to be secured by a mortgage against the church property;

(P) a statement identifying any affiliation by the

(continued)



broker-dealer, or its officers, with any building contractor or supplier who has an interest in or may receive any of the proceeds of the issue; and

(Q) a statement disclosing all other material facts concerning the issuer or the proposed offering.

(b) If the total amount of the securities to be issued will exceed twenty-five thousand dollars (\$25,000), a religious organization applying for a certificate of exemption pursuant to K.S.A. 1982 Supp. 17-1261 (h), shall file with the commissioner the following documents:

(1) a copy of the issuer's articles of incorporation, charter and any amendments thereto, and a copy of its bylaws, if any. If the issuer is not a corporation, the equivalent governing instruments shall be filed;

(2) a copy of the issuer's latest nonprofit corporation annual report, if required by the issuer's state of domicile;

(3) a draft copy of the church bond;

(4) a copy of the preliminary or definitive trust indenture;

(5) a copy of all advertising materials to be used in connection with the offering;

(6) an opinion of counsel attesting to the authority of the issuer to offer and sell the church bonds under the exemption which states that after the sale of the church bonds such bonds will be valid, binding obligations of the issuer in accordance with the issuer's governing documents. The opinion shall also state that the securities are secured by a trust indenture that pledges monies or properties to secure the securities and that the securities constitute a lien on said property;

(7) a copy of the issuer's resolution authorizing issuance of the church bonds;

(8) a copy of an offering circular prepared in accordance with the guidelines entitled, "Church Bond Guidelines," pages 17.4-5 to 17.4-20 as adopted and issued by the North American Securities Administrators Association, Inc., on June 18, 1981. These guidelines are adopted by reference and are available from the commissioner. (Authorized by K.S.A. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1261 (h); effective 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. 1982 Supp. 17-1262(a) 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. 1982 Supp. 17-1262 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. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1262(a); effective, T-83-40, Nov. 23, 1982; effective May 1, 1983.)

**81-5-4. Unsolicited order exemption.** A registered broker-dealer relying upon K.S.A. 1982 Supp. 17-1262(c) 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. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1262(c); effective, T-83-40, Nov. 23, 1982; effective May 1, 1983.)

**81-5-5. Financial institution exemption.** The offer or sale of securities to a financial institution specified in K.S.A. 1982 Supp. 17-1262(f) 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. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1262(f); effective, T-83-40, Nov. 23, 1982; effective May 1, 1983.)

**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

(continued)

ant 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 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 is 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 commissioner 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. 1982 Supp. 17-1270(f); implementing K.S.A. 1982 Supp. 17-1262; effective, T-83-40, Nov. 23, 1982; effective May 1, 1983.)

#### Article 12.—NON-PROFIT CORPORATIONS

**81-12-1.** (Authorized by K.S.A. 17-1261(h); effective, E-70-15, Feb. 4, 1970; effective Jan. 1, 1971; revoked May 1, 1983.)

JOHN R. WURTH  
Securities Commissioner

Doc. No. 001108



## State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

## NOTICE

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**DENTAL BOARD  
ADMINISTRATIVE REGULATIONS**

## Article 1.—GENERAL RULES

**71-1-3.** Examinations required by the board. In addition to the examination required pursuant to section 71-1-9, each applicant for licensure as a dentist or dental hygienist shall have successfully completed the written examination of dental theory conducted by the national board of dental examiners and the clinical examination conducted by Central Regional Dental Testing Service, Inc. (Authorized by K.S.A. 1982 Supp. 65-1426; implementing K.S.A. 65-1427, 65-1428, 74-1405; effective Jan. 1, 1966; amended May 1, 1983.)

## KANSAS DENTAL BOARD

Doc. No. 001110

## State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

## NOTICE

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**BOARD OF EMBALMING  
ADMINISTRATIVE REGULATIONS**

## Article 1.—EMBALMING; CONTINUING EDUCATION OF EMBALMERS AND FUNERAL DIRECTORS

**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 no later than 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, community college, or university where the applicant has completed his or her education meets the following qualifications:

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

(2) The school, institute, community college, college, or university offers a 12 month course in mortuary science for funeral service education;

(3) The school, institute, community 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, the applicant shall file the college or university transcript with the prescribed fee. Upon receiving a "certificate of completion" or the degree offered by that school, the applicant 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, the student shall have completed 60 hours with a "C" average in an accredited college or university. In these mortuary science courses, the student shall obtain a minimum of 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 an apprenticeship as an embalmer. The licensee under whom the apprentice is registered shall file quarterly reports of progress with the board. Upon completion of the apprenticeship, 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) If the applicant does not take the examination within two years from the date of first registration, that registration shall automatically be canceled. Time served in the armed forces shall not be counted in computing this period. If the applicant desires to re-register, the applicant shall make a new application for registration and comply with the requirements of the board.

(g) Should an apprentice embalmer fail to complete the apprenticeship within a period of two years following the successful completion of the examination, the apprenticeship shall be canceled, except that time

(continued)

served in the armed forces shall not be counted in computing this period. If the applicant later desires to complete the apprenticeship, the applicant shall first retake and successfully pass the examination.

(h) An applicant who passed the examination shall receive credit toward the apprenticeship for time spent in the armed forces if the applicant's primary duties during that time were preparation of, and caring for, dead human bodies under the supervision of persons holding a valid embalmer's license in any state. One of these licensees shall certify as to the duties of the applicant. (Authorized by K.S.A. 44-534, K.S.A. 1982 Supp. 44-573; implementing K.S.A. 65-1702, K.S.A. 1982 Supp. 65-1701a, 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; amended May 1, 1983.)

**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 the intention to practice embalming part-time or full-time within the state of Kansas. The applicant shall also provide to the board at the interview: a complete 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 years; two character references; and a statement of good standing from the applicant's 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 the applicant 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 provided by regulation. (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; amended May 1, 1983.)

**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 upon verified proof of the loss or destruction of the license.

(b) Licenses shall not be 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 embalmer 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.

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 comply with K.S.A. 16-391, *et seq.* 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 a 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, prior to representing an insurer, shall be a stockholder, officer, or agent for an insurance company which is authorized 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, no other provisions herein are violated.

(2) A licensee shall not solicit or obtain application 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 that advertising and the recommendation is genuine and representative of the current opinion of the author. This shall apply to the policy advertised and shall be accurately reproduced. If the individual making the recommendation has a financial interest of the insurer or a related entity or if the individual will, as a direct or indirect stockholder, officer, employee, or otherwise, receive any benefit directly or indirectly, this fact shall be disclosed in the advertising.

(4) An insurance company or its designated agent shall not operate 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 service 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 on 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, 65-1711a, 74-1707; effective Jan. 1, 1966; modified, L. 1979, ch. 345, May 1, 1979; amended May 1, 1982; amended May 1, 1983.)

**63-1-8. Investigations and hearings.** (a) The state board of embalming shall initiate an inquiry 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: (1) any of the rules and regulations of the department of health and environment; (2) any of the embalming or funeral directing laws of this state; or (3) for any other reason

(continued)

stated. 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 that are properly executed may also be introduced into evidence. All complaints shall name the person against whom the complaint was made, the time and place of the alleged violation, 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 facts and circumstances, the board finds the charges to be true, in whole or in part, or in 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 on probation. If the board finds that the charges have not been proved, it shall dismiss those charges. A licensee whose license has been revoked shall only be reinstated by consent of the board, and upon passing any examination and investigation that the board deems necessary and proper under the circumstances. (Authorized by and implementing K.S.A. 74-1704; effective Jan. 1, 1966; amended May 1, 1978; amended May 1, 1982; amended May 1, 1983.)

#### **63-1-14. Continuing education requirements.**

(a) Beginning May 1, 1981, each licensee in this state shall submit with the license renewal application satisfactory proof of completion of a minimum of six clock-hours per year of continuing education coursework approved by the board and prorated for the portion of the continuing education compliance period since January 1, 1981. Compliance with the required continuing education shall be a prerequisite for a 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 previously accredited by the board or otherwise meeting the requirements stated in K.A.R. 63-1-15 and approved by the board.

(c) During the time an organization, educational 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 12 hours of approved continuing education credits during any two licensure years shall report this carry-over credit to the board on or before

the expiration of the licensee's current licensure year. This carry-over credit shall be limited to no more than six clock-hours.

(e) Continuing education requirements for individuals newly licensed by examination shall be waived for the first time renewal of a licensee. (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; amended May 1, 1983.)

**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 describes the subject matter of the program.

(b) Except as may be allowed by the board, a licensee shall not receive credit exceeding three credit-hours of the annual total required hours for: (1) correspondence work; (2) video, sound-recorded, or television programs; or (3) by information transmitted by other similar means as authorized by the board.

(c) Service as a lecturer or discussion leader shall be included to the extent that it contributes to the professional competence of the applicant. Repetitious presentations shall not be counted. No more than 50 percent of the total required hours may be satisfied in this manner. (Authorized by K.S.A. 65-1712, 65-1723; implementing K.S.A. 65-1702, 65-1712; effective, E-81-41, Dec. 17, 1980; modified, L. 1981, ch. 410, May 1, 1981; amended May 1, 1982; amended May 1, 1983.)

#### **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 the educational history of the organization or person for the preceding two years, including approximate dates, subjects offered, total hours of instruction presented, and the names and qualifications of instructors. By January 1 of each year, all accredited sponsors shall report to the board the educational programs conducted by the sponsor during the preceding calendar year, on forms 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 a basis for considering the revocation of the accredited sponsor, the board shall give notice of the hearing on revocation of accreditation to that sponsor, in writing at least 30 days before the hearing.

(b) *Prior approval of activities.* An organization or person other than an accredited sponsor, desiring

(continued)

prior accreditation of a continuing education program of any nature, shall apply for accreditation to the board before the board's quarterly meeting on a form provided by the board. The applicant shall be notified in writing of the board's decision within 15 days after the board's decision. The application shall state the dates, subjects offered, total hours of instruction, names and qualifications of the speakers, and other pertinent information.

(c) *Post approval of activities.* A licensee seeking credit for attendance and participation in an educational program which is not conducted by an accredited sponsor nor otherwise approved shall submit to the board, within 30 days after completion of the activity, the activity's dates, subjects, instructors and their qualifications and number of credit hours requested. Within 90 days after receipt of the application the board shall advise the licensee, in writing and by mail, as to whether the activity is approved and the number of credit hours allowed. A licensee may be denied credit if the licensee 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 on 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. 65-1717, 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; amended May 1, 1983.)

**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 the license. That report shall be signed by the licensee. (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; amended May 1, 1983.)

**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 the licensee may fulfill those requirements 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; the application shall be signed by the licensee and a person licensed to practice the healing arts. Waiver of the minimum educational requirements may be granted by the board for a period of 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 automatically receive status as an "inactive practitioner." (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; amended May 1, 1983.)

## Article 2.—FUNERAL DIRECTING

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

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

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

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

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

(4) A funeral, or any portion of it, may not be conducted without a licensed funeral director being present, except when the funeral director's presence is not physically possible. In such a case, the licensee may appoint any Kansas licensed funeral director or assistant funeral director as the licensee's representative and the responsibility for 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; amended May 1, 1983.)

## Article 4.—FEES

**63-4-1. Payment of fees.** (a) Fees to be charged by the Kansas state board of embalming:

Embalmers examination fee	\$100.00
Embalmers Reciprocity Application fee	\$200.00
Embalmers biennial license & renewal fee	\$ 48.00
Apprentice Embalmers registration fee	\$ 50.00
Funeral Directors examination fee	\$100.00
Funeral Directors Reciprocity Application fee	\$200.00
Funeral Directors biennial license & renewal fee	\$120.00
Assistant Funeral Directors application fee	\$ 50.00
Assistant Funeral Directors biennial license & renewal fee	\$ 72.00
Funeral Establishment biennial license & renewal fee	\$200.00

(Authorized by and implementing K.S.A. 65-1727 *et seq.*; effective May 1, 1983.)

DOUGLAS E. "MACK" SMITH  
Executive Secretary

Doc. No. 001113

State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

**NOTICE**

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**OFFICE OF CONSUMER CREDIT COMMISSIONER ADMINISTRATIVE REGULATIONS**

**Article 6.—CONSUMER CREDIT CODE**

**75-6-24.** Adjustment in dollar amounts. The dollar amounts of three hundred dollars (\$300) and one thousand dollars (\$1,000) in K.S.A. 16a-2-401(2) shall be changed to five hundred forty dollars (\$540) and one thousand eight hundred dollars (\$1,800). (Authorized by K.S.A. 16a-2-401a, 16a-6-104(1)(e); effective, E-79-9, April 20, 1978; effective May 1, 1979; amended, E-81-15, June 25, 1980; amended May 1, 1981; amended, T-83-16, July 1, 1982; amended May 1, 1983.)

**75-6-26.** (Effective, T-83-2, Jan. 7, 1982; effective, T-83-6, April 14, 1982.)

**75-6-27.** Earned finance charge by the actuarial method. The amount of the earned portion of the precomputed finance charge, and any deferral charges, on a consumer credit transaction that is entered into on or after July 1, 1982, and payable according to its original terms over more than 61 months, shall be determined by applying the contract rate according to the actuarial method to: (a) the unpaid balances and time as originally scheduled for the period preceding prepayment. The period preceding prepayment shall be full days between prepayment date and the beginning of the computational period in which prepayment occurs, and all fully expired computational periods preceding prepayment date; or

(b) the actual unpaid balances of the amount financed for the actual time the unpaid balances were outstanding. Any delinquency or deferral charges collected before the date of prepayment shall be applied to reduce the amount financed as of the date collected. (Authorized by K.S.A. 16a-6-104(e); implementing K.S.A. 1982 Supp. 16a-2-510(4); effective, T-83-16, July 1, 1982; effective May 1, 1983.)

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

**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: (a) loan contracts when the proceeds of the loan are used for business or agricultural purposes; (b) installment sales contracts or leases of personal property when used for agricultural or business purposes; or (c) the purchase of commercial paper. 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; amended, T-83-16, July 1, 1982; amended May 1, 1983.)

**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 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; amended May 1, 1983.)

**75-8-12.** (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; revoked May 1, 1983.)

**75-8-13.** (Effective, T-83-5, Jan. 26, 1982; effective, T-83-16, July 1, 1982.)

DONALD O. PHELPS  
Consumer Credit Commissioner

Doc. No. 001109

State of Kansas

**PERMANENT ADMINISTRATIVE REGULATIONS**

**NOTICE**

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**BOARD OF NURSING ADMINISTRATIVE REGULATIONS**

**Article 4.—FEES**

**60-4-101.** Payment of fees. The board shall receive payment of fees as follows:

- (a) *Fees for professional nurses.*
- (1) Application for license by endorsement to Kansas \$60.00
  - (2) Verification of Kansas license . . . . . 6.00
  - (3) Application for license by examination . . . . . 60.00
  - (4) Biennial renewal of license . . . . . 25.00
  - (5) Application for reinstatement of lapsed license . . . . . 35.00
  - (6) Certified copy of Kansas license . . . . . 6.00

(continued)



**(b) Fees for practical nurses.**

(1) Application for license by endorsement to Kansas	35.00
(2) Verification of Kansas license	6.00
(3) Application for license by examination	35.00
(4) Reapplication for license by examination	35.00
(5) Biennial renewal of license	25.00
(6) Application for reinstatement of lapsed license	35.00
(7) Certified copy of Kansas license	6.00

This regulation shall take effect on and after July 1, 1983. (Authorized by K.S.A. 65-1113 *et seq.*, 74-1106 *et seq.*; implementing K.S.A. 65-1118; effective Jan. 1, 1966; amended Jan. 1, 1972; amended, E-74-29, July 1, 1974; modified, L. 1975, ch. 302, May 1, 1975; amended, E-77-8, March 19, 1976; amended Feb. 15, 1977; amended, E-79-8, March 16, 1978; amended May 1, 1979; amended May 1, 1980; amended May 1, 1983.)

**Article 8.—FEES**

**60-8-101. Payment of fees for mental health technicians.** The board shall receive payment of fees as follows:

(a) Licensure by endorsement to Kansas	\$25.00
(b) Verification of current Kansas license to other states	6.00
(c) Examination	25.00
(d) Rewriting the examination	25.00
(e) Annual renewal of license	12.00
(f) Reinstatement of lapsed license	18.00
(g) Certified copy of license	6.00

This regulation shall take effect on and after July 1, 1983. (Authorized by K.S.A. 65-4201 *et seq.*, 74-1106 *et seq.*; implementing K.S.A. 65-4208; effective May 1, 1975; amended May 1, 1980; amended, May 1, 1983.)

LOIS RICH SCIBETTA, Ph.D., R.N.  
Executive Administrator

Doc. No. 001115

**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. 1982 Supp. 77-415 *et seq.* *These regulations are scheduled to become effective May 1, 1983, 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 5, 1983 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

**BOARD OF PHARMACY  
ADMINISTRATIVE REGULATIONS****Article 1.—REGISTRATION AND  
EXAMINATION OF PHARMACISTS**

**68-1-1a. Application for registrations or permits; form and contents; filing; acceptance; withdrawal; board action.** (a) Any person who is required to be

registered or required to hold a permit under the pharmacy act of the state of Kansas, and who is not so registered or who does not hold a permit, may apply for registration or a permit at any time. No person required to be registered or hold a permit shall engage in any activity for which a registration or permit is required until the application for registration or permit is issued by the board to that person.

(b) Any premise which is required to be registered or for which a permit is required, and which is not so registered or which does not have a permit, may, by and through its authorized representative, apply for a registration or permit at any time. No premise required to be registered or which requires a permit shall engage in any activity for which a registration or permit is required until the application for registration or permit is granted and a certificate of registration or permit is issued by the board to such premise.

(c) Any person who is registered or who holds a permit may apply for renewal of registration or renewal of permit not more than 30 days prior to the expiration date of that registration or permit and not more than 30 days after the expiration of the existing registration or permit. Any registration or permit not filed for renewal before 30 days after the expiration of the date of registration of permit, shall lapse and become null and void on the date of its expiration and no new registration or permit shall be granted except under payment of the required renewal fee plus a penalty equal to the renewal fee.

(d) Any location which is registered or which has been granted a permit may, by and through its authorized representative, apply to be registered or apply for a permit not more than 30 days before the expiration of the original registration or permit and not more than 30 days after the expiration of the original registration or permit. If a registered premise fails, by and through its authorized representative, to file an application for renewal of registration or permit within 30 days after the expiration of the original registration or permit, the existing registration or permit shall lapse and become null and void on the date of its expiration. No new registration or permit shall be granted except upon payment of the required renewal fee plus a penalty equal to the renewal fee.

(e) Proper forms may be obtained from the office of the executive secretary of the board. Proper forms will be mailed as applicable to each registrant or permittee for each registered premise or premises holding a permit, at least 30 days prior to the expiration of the registration or permit.

(f) Each application, attachment or other document filed as a part of an application, shall be signed and verified by: the applicant, or its authorized representative, if an individual or premises; by a partner of the applicant, if a partnership; or by an officer of the applicant, if a corporation, corporate division, association, trust or other entity.

(g) An applicant may authorize a representative to sign applications under the pharmacy act by filing with the executive secretary of the board a power of attorney for that representative. The power of attorney

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shall be signed by the person who is authorized to sign applications under this paragraph and shall be valid until revoked in writing by the applicant.

(h) All applications for registrations or permits shall be submitted for filing to the executive secretary of the board. The appropriate registration fee or permit fee and any required attachments shall accompany the application.

(i) Any person required to obtain more than one registration or more than one permit may submit all applications in one package. Each application shall be complete and shall not refer to any accompanying application for required information.

(j) Applications submitted for filing shall be dated upon receipt. If found to be complete, the application will be accepted for filing. Applications failing to comply with the requirements of this state shall not be accepted for filing. In case of minor defects as to completeness, the board may accept the application for filing with a request to the applicant for additional information. A defective application shall be returned to the applicant within 10 days following its receipt with a statement of the reasons for not accepting the application for filing. A defective application may be corrected and resubmitted for filing at any time; the board shall accept for filing any application upon resubmission by the applicant, whether complete or not.

(k) Accepting an application for filing shall not preclude any subsequent request for additional information by the board and shall have no bearing on whether the application is granted.

(l) The board may require an applicant or the authorized representative of any premises applying for a permit to submit all documents or written statements of fact relevant to the application it deems necessary to determine whether the application shall be granted. The failure of the applicant, or the authorized representative of any premise, to provide those documents or statements within a reasonable time after being requested to do so shall be deemed a waiver by the applicant, or the authorized representative of any premise, of an opportunity to present those documents or facts for consideration by the board in granting or denying the application.

(m) An application may be amended or withdrawn without permission of the board at any time before the date upon which the applicant or the authorized representative of any premise applying for a permit receives a petition under the provisions of K.S.A. 65-1627(e). Any application may be amended or withdrawn with permission of the board at any time good cause is shown by the applicant or authorized representative of any premises, or if the amendment or withdrawal is in the public interest.

(n) After an application has been accepted for filing, the failure of the applicant or authorized representative to respond to official correspondence regarding the application, when sent by registered or certified mail, return receipt requested, shall be deemed to be a withdrawal of the application.

(o) The board may inspect, or cause to be inspected, the premises of an applicant. The board shall review

the application for registration or any other information regarding the applicant or its authorized representative in order to determine whether the applicable standards of the pharmacy act of the state of Kansas and these regulations have been met by the applicant or its authorized representative. (Authorized by and implementing K.S.A. 65-1630; effective, E-76-31, Aug. 11, 1975; effective May 1, 1976; amended May 1, 1978; amended May 1, 1983.)

**68-1-1b. Continuing educational unit.** (a) Ten clock hours of continuing education approved by the board shall constitute one continuing educational unit (C.E.U.). One and one-half C.E.U.(s) shall be required for registration. All continuing educational programs recognized by national and Kansas accrediting agencies on pharmaceutical continuing education shall be considered by the board for determining final credit.

(b) A maximum of 10 clock hours earned by a registrant during one annual registration in excess of the requirement may be carried forward to the next annual registration period and credit shall be given to the registrant for the excess.

(c) Registrations shall be renewed annually and a registrant shall not be authorized to carry forward excess hours earned in one registration period beyond the next annual registration. (Authorized by and implementing K.S.A. 65-1630; effective, E-76-31, Aug. 11, 1975; effective May 1, 1976; amended May 1, 1983.)

**68-1-1c. General qualifications for registration.** (a) Every applicant for registration as a pharmacist in this state shall meet the following requirements:

- (1) attainment of legal age;
- (2) possession of good moral character and temperate habits;
- (3) graduation from an approved and recognized school or college of pharmacy or department of a university. Proof of graduation shall be filed with the board;
- (4) possession of a minimum of one year of pharmaceutical experience, approved by the board, under the supervision of a registered pharmacist, proof of that experience shall be filed with the board;
- (5) payment of required fees; and
- (6) satisfactory passing of an examination as provided by law and rules of the board or qualifying for registration by reciprocity as provided by law and the rules of this board.

(b) Every applicant for renewal of license shall furnish evidence to the board of compliance with the rules and regulations relating to continuing education. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-1-1d. Approved schools.** The board shall recognize and approve all schools or colleges of pharmacy or departments of universities accredited by the American council on pharmaceutical education and all other schools or colleges of pharmacy or departments of universities which, as determined by the board, have a standard of education not below that of the

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university of Kansas school of pharmacy. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-1-1e. Determination and approval.** (a) Graduates from a school or college of pharmacy or a department of a university not accredited by the ACPE shall require the school or college of graduation to submit to the board the following information and documents:

- (1) A certified copy of transcript;
- (2) a list of courses completed;
- (3) the time taken to complete the course;
- (4) a listing and explanation of any practice course work completed, including, but not limited to, intern and extern course work; and
- (5) any other course work or experience bearing on the educational training in pharmacy of the applicant.

(b) In making a determination as to whether a school or college of pharmacy or a department of a university shall be recognized and approved by the board, the board shall consider, but not be limited to consideration of, the following:

- (1) All information and documents submitted by the applicant;
- (2) the standards as set forth by the American Council on Pharmaceutical Education in its accreditation manual; and
- (3) the course work and curriculum required by the university of Kansas school of pharmacy.

(c) If a school is found to have an educational standard equal to, or above that of the university of Kansas school of pharmacy, a written decision shall be rendered by the board so stating and delivered to the applicant.

(d) The board may employ the use of examinations, outside experts, and opinions and reports for advice as to the sufficiency and correctness of its approval method, but in every case, the final recognition or non-recognition and approval or disapproval of a school or college of pharmacy or department of a university shall rest with the board. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-1-1f. Foreign graduates.** (a) Persons graduating from a school or college of pharmacy or department of a university located outside of the United States shall, in addition to the requirements set out in K.A.R. 68-1-1d, provide proof that the applicant has reasonable ability to communicate with the general public in english.

(1) Foreign applicants shall be required to take the test of english as a foreign language (TOEFL) and in order to successfully qualify for registration under the pharmacy act of the state of Kansas, the applicant shall attain a grade of not less than 500.

(2) Foreign applicants who hold graduate or second level degrees or diplomas from post secondary institutions in the United States or other english speaking countries are exempted from the TOEFL examination requirements state above, provided, other proof that the applicant has reasonable ability to communicate with the general public in english is submitted by the applicant and accepted by the board.

(b) Graduates of schools or colleges located outside of the United States who have not demonstrated that the standards of their respective undergraduate degree programs are at least equivalent to the university of Kansas school of pharmacy as provided by K.A.R. 68-1-1e, may satisfy the requirements of K.A.R. 68-1-1e by providing satisfactory evidence to the board of graduation and by successfully passing an equivalent examination recognized and administered by the board.

(c) All documents and materials required by these regulations shall be translated into english and a certificate of correctness shall be provided. Such copies shall be notarized as true copies. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-1-3. Proof of required pharmaceutical experience.** Proof of one year of pharmaceutical experience shall be by affidavits filed with the executive secretary of the board from the applicant and registered pharmacist or pharmacists who supervised the applicant. All pharmaceutical experience required by law and regulations shall be supervised by a registered pharmacist who has a minimum of two years experience in the active practice of pharmacy as a registered pharmacist immediately preceding acceptance by the board as a preceptor. No registered pharmacist serving as a preceptor shall undertake to supervise the training of more than one intern during any one period of time. Interns shall register with the board and pay a one time fee of \$25.00. Interns shall notify the board within 10 days after the beginning of each period of pharmaceutical experience. (Authorized by and implementing K.S.A. 65-1630; effective Jan. 1, 1966, amended Jan. 1, 1967; amended, E-76-31, Aug. 11, 1975; amended May 1, 1976; amended May 1, 1978; amended May 1, 1983.)

**68-1-3a. Qualifying pharmaceutical experience.**

(a) Pharmaceutical experience that qualifies as one year shall consist of:

(1) 1,500 clock hours as a registered intern working under a registered preceptor. All hours worked when the intern is in regular attendance at an accredited school of pharmacy and during vacation times and other times when the intern is enrolled but not in regular attendance at an accredited school of pharmacy may be counted as qualified hours. However, not more than 60 hours shall be acquired in any one week;

(2) 1,000 clock hours in a special, intensive training program established and monitored by an accredited school of pharmacy. That program shall be approved by the board; and

(3) a combination of (1) and (2). Each hour is an intensive training program under (2) is equivalent to one and one-half hours of a program under (1).

(b) No time may accrue to a student prior to acceptance in an accredited school of pharmacy.

(c) Once registered as an intern, all hours to be counted shall be completed within five years, not counting military service, unless special permission

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extending the time period is obtained in writing from the board.

(d) Reciprocity shall not be denied to any applicant, otherwise qualified, who has met the internship requirements of the state from which he is reciprocating; or who has at least one year of legal practice as a registered pharmacist.

(e) Other experience may be determined satisfactory by the board on a case-by-case basis, taking into consideration the actual experience acquired by such applicant. (Authorized by and implementing K.S.A. 65-1630; effective, E-76-31, Aug. 11, 1975; effective May 1, 1976; amended May 1, 1983.)

**68-1-7. Reinstatement after lapse.** Upon failure of a pharmacist to renew a registration under the provisions of K.S.A. 65-1632 for three consecutive years or more, the board shall require the applicant to take a written or oral examination prior to reinstatement. Upon satisfactory completion of that examination and compliance with the provisions of K.S.A. 65-1632, the applicant shall be entitled to a renewal of registration if no grounds exist for denying the renewal. (Authorized by and implementing K.S.A. 65-1630; effective Jan. 1, 1966; amended, E-76-31, Aug. 11, 1975; amended May 1, 1976; amended May 1, 1983.)

**68-1-8. Registered pharmacist to be on duty.** It shall be the duty of the pharmacist in charge of every premise having a pharmacy registration, to ensure that a registered pharmacist is on duty at all times during which the pharmacy is open. (Authorized by and implementing K.S.A. 65-1630; effective Jan. 1, 1966; amended, E-76-31, Aug. 11, 1975; amended May 1, 1976; amended May 1, 1978; amended May 1, 1983.)

## Article 2.—DRUGSTORES

**68-2-12.** (Authorized by K.S.A. 65-1630; effective Jan. 1, 1966; amended, E-76-31, Aug. 11, 1975; amended May 1, 1976; amended May 1, 1978; revoked May 1, 1983.)

**68-2-12a. Minimum requirements.** Every registered pharmacy, other than a medical care facility, shall, as a minimum, possess or have contracted for and available for use the following professional and technical equipment: (a) A library including the latest revision and current supplements of the United States pharmacopoeia/national formulary; a current copy of the Kansas pharmacy act and the Kansas uniform controlled substances act and current regulations under both acts; and one recognized text in each of the following areas: toxicology, pharmacology, drug interactions, and a medical dictionary; and

(b) Measuring equipment; mortars and pestles; spatulas; a funnel; a stirring rod; heating apparatus; a Class A prescription balance sensitive to 15mg; weights; refrigeration equipment; a prescription file and counter; a sink with running water and proper sewage disposal; an adequate stock of drugs and pharmaceutical preparations. (Authorized by and implementing K.S.A. 65-1630; effective May 1, 1983.)

## Article 7.—MISCELLANEOUS PROVISIONS

**68-7-10. Pharmacy based drug distribution systems in adult care homes; definitions; emergency medication kits.** (a) Definitions.

(1) Adult care homes has the same meaning as set forth in Kansas administrative regulation 28-39-30.

(2) Unit dose system means that drug distribution system which is pharmacy based and which uses unit dose containers that enable distribution of packaged doses in a manner that preserves the identity of the drug until the time of administration.

(3) Traditional system means that drug distribution system, whereby the pharmacist receives a prescription order for the patient and fills the prescription in any manner in which individual doses are not packaged in unit dose containers.

(4) Unit dose container means a single unit container for articles intended for administration by other than parenteral route as a single dose, directly from the container.

(5) Single unit container means one that is designed to hold a quantity of drugs intended for administration as a single dose promptly after the container is open.

(b) All pharmacy based drug distribution systems for adult care homes shall be consistent with the medication needs of the patient, shall conform to all federal and state laws and regulations pertaining to institutional pharmacies and shall conform to the additional requirements:

(1) All prescriptions (unit dose or traditional) shall be dispensed from a pharmacy within a reasonable length of time after the medication is ordered.

(2) The supplying pharmacy shall be responsible for the safe delivery of drugs to a designated person or persons in the adult care home.

(3) The supplying pharmacy shall provide a method of identifying the date and quantity of medication dispensed.

(4) A patient profile record shall be maintained for all adult care home patients serviced by the supplying pharmacy. Those patient medication profile records shall contain information to allow the pharmacist to monitor patient drug therapy.

(5) All medication distribution system containers shall be labeled to permit the identification of the drug therapy.

(c) All unit dose drug distribution systems shall, in addition to the above requirements, conform to the following requirements:

(1) All medication shall be packaged in unit dose containers as far as practicable and the packaging shall conform to the provisions of K.A.R. 68-7-15 and 68-7-16.

(2) The pharmacist shall be responsible for filling and refilling prescriptions or practitioner's orders or both according to the directions of the practitioner by relying on the original prescription or practitioner's order or a direct copy thereof. All requirements for prescription orders under the Kansas uniform controlled substances act and applicable regulations, the Kansas pharmacy act and applicable regulations, and

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all federal laws and regulations shall be complied with insofar as prescriptions or medication orders are concerned.

(3) Unit dose dispensing shall take place at the address of the pharmacy providing the unit dose system.

(4) Container requirements of a prescription for the purpose of unit-dose distribution systems may be broadened to include trays, bins, cart and locked cabinets if the requirements of K.A.R. 68-7-14 are complied with. All patient medication trays or drawers shall be labeled so as to identify the patient.

(5) Each unit dose distribution system shall provide a verification check at the point of patient administration in order to insure proper drug utilization.

(6) The delivery time cycle or hours of exchange shall not be limited to a specific time, but shall depend upon pharmacy discretion and the needs of the adult care home, together with the stability of the drug and the type of container used.

(7) Dispensing under the unit dose system shall be the sole responsibility of the pharmacist or a pharmacy intern under the direct supervision of a pharmacist.

(8) Inventory and record keeping requirements as outlined in Kansas uniform controlled substances act, the Kansas pharmacy act and all applicable requirements, and federal laws and regulations shall be complied with.

(d) Emergency medication kits.

(1) Such kits shall contain drugs which are generally regarded by practitioners as essential to the prompt treatment of sudden and unforeseen changes in a patient's condition which present an eminent threat to the patient's life or well-being.

(2) Drugs to be contained within emergency medication kits shall be approved by the pharmaceutical services committee (or its equivalent) composed of at least a practitioner and a pharmacist.

(3) The emergency medication kit shall conform to the following requirements:

(A) Be supplied by a pharmacist who shall possess the drug until administered to patient upon proper order of a practitioner.

(B) The kit shall be locked or sealed so that it is obvious if the kit has been opened or tampered with.

(C) The kit shall be securely locked, in a substantially constructed cabinet or cart and shall be available only to the nurse or nurses as determined by the pharmaceutical services committee or its equivalent.

(D) The kit shall have an expiration date equivalent to the earliest expiration date of drugs within the kit, but in no event more than one year.

(E) Drugs contained within the emergency medication kit shall be returned to the pharmacy as soon as the kit is opened, along with the practitioner's drug order for medications administered. (Authorized by and implementing K.S.A. 65-1630; effective May 1, 1978; amended May 1, 1983.)

#### Article 10.—NUCLEAR PHARMACY

**68-10-1. Definitions.** (a) Bureau of radiation control means the materials, licensing, and control sec-

tions, bureau of radiation control; department of health and environment; state of Kansas.

(b) Nuclear pharmacy means any establishment registered by the board to provide radiopharmaceuticals or services to individuals or institutions having separate valid registrations to possess such radiopharmaceuticals and to perform those services. This definition shall not be interpreted so as to restrict a private, properly licensed practitioner from providing the practitioner's patients with these radiopharmaceuticals in the normal course of work.

(c) Nuclear pharmacist means a pharmacist who has been authorized by the bureau of radiation control of the state of Kansas to receive, use, possess, transfer or dispose of radiopharmaceuticals. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-10-2. Minimum requirements; equipment.** Every applicant for a registration to establish and maintain a nuclear pharmacy shall meet the following requirements. (a) The applicant shall obtain a license from the bureau of radiation control of the state of Kansas.

(b) In addition to satisfying any other licensing requirements, the applicant shall obtain from the Kansas state board of pharmacy:

(1) a registration to practice pharmacy in the state of Kansas; and

(2) a registration to operate a nuclear pharmacy.

(c) There shall be a pharmacist registered by the Kansas state board of pharmacy who will be in charge of and responsible for the day-to-day operations of the nuclear pharmacy. A nuclear pharmacist shall be in personal attendance whenever the nuclear pharmacy is open.

(d) The applicant shall have purchased or contracted for the following equipment to be used in the nuclear pharmacy and shall keep it in good operating condition: a dose calibrator, refrigerator, appropriate ventilation hoods, appropriate equipment for performance of quality control, appropriate radiation protection for workers, and an appropriate reference library.

(e) There shall be adequate space for day-to-day operations, storage of radioactive materials, and product decay.

(f) The nuclear pharmacy area shall be separate from the pharmacy areas for non-radioactive drugs and shall be secured from entrance by unauthorized personnel. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-10-3. Nuclear pharmacy; general requirements when operating.** (a) Nuclear pharmacies shall dispense radiopharmaceuticals which comply with accepted professional standards for radiopharmaceutical quality assurance.

(b) Nuclear pharmacies shall comply with all applicable rules and regulations of federal and state agencies, including those regulations governing the dispensing of non-radioactive drugs.

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(c) Labeling of radiopharmaceuticals shall comply with the following requirements:

(1) *Immediate outer container.* The labeling requirements of the Kansas state board of pharmacy for non-radioactive drugs shall apply, except that the full name of the prescriber may be used in place of the name of the patient when the patient's name cannot be determined. The immediate outer container shall also conform with the labeling requirements of the bureau of radiation control.

(2) *Immediate inner container.* The inner container shall display the standard radiation symbol with the words "Caution-Radioactive Material," and appropriate identification by lot number or prescription number.

(d) The operation of a nuclear pharmacy shall be limited to compounding and dispensing those drugs which have been approved for use in humans by the appropriate state or federal agency or which are currently being used in an investigational phase of human use. However, procedures pertaining to the use of experimental drugs shall be followed as specified in an experimental protocol and appropriate records shall be maintained. Compounding and dispensing shall be pursuant to an order from a licensed practitioner authorized to possess radioactive materials for non-human use, as specified in the radiation protection regulations of the state of Kansas. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

#### Article 11.—FEES

**68-11-1. Fees for examination and registration as a pharmacist.** The following fees shall be paid by each applicant for examination and registration as a pharmacist: (a) Each applicant for examination shall pay a fee to the board of \$125.00.

(b) Each applicant for examination and registration shall pay a fee to the board of \$10.00 for certification of grades.

(c) Each applicant for reciprocal registration shall pay a fee to the board of \$250.00.

(d) Each applicant for reciprocal registration or for examination who graduated from a school or college of pharmacy outside the United States shall pay an additional fee to the board of \$250.00 for a school evaluation.

(e) Each registered pharmacist shall pay an annual renewal fee to the board of \$50.00. (Authorized by and implementing K.S.A. 1982 Supp. 65-1631; effective May 1, 1983.)

**68-11-2. Fees for premises registrations and permits.** (a) The following fees shall be paid for pharmacy registration and permits:

(1) A fee of \$125.00 shall be paid to the board for each new pharmacy registration;

(2) a fee of \$100.00 shall be paid to the board for each renewal pharmacy registration.

(b) The following fees shall be paid for manufacturer registration permits:

(1) A fee of \$250.00 shall be paid to the board for each new manufacturer registration;

(2) a fee of \$200.00 shall be paid to the board for each renewal manufacturer registration.

(c) The following fees shall be paid for wholesaler registration and permits:

(1) A fee of \$250.00 shall be paid for each new wholesaler registration;

(2) a fee of \$200.00 shall be paid to the board for each renewal wholesaler registration.

(3) For those wholesalers which deal exclusively in nonprescription drugs and for which no registration is required under the uniform controlled substances act, a fee of \$50.00 shall be paid to the board for registration and reregistration.

(d) The following fees shall be paid for institutional drug room registrations and permits:

(1) A fee of \$25.00 shall be paid for each new institutional drug room registration;

(2) a fee of \$20.00 shall be paid for each renewal institutional drug room registration.

(e) Every pharmacy intern shall pay to the board a one time fee of \$25.00.

(f) Every retail dealer selling more than 12 different nonprescription drug products shall pay a fee to the board of \$12.00 for registration and reregistration.

(g) Auction permits may be obtained upon payment of a fee of \$35.00.

(h) A samples distribution permit may be obtained upon payment of a fee of \$30.00.

(i) Duplicate permits may be obtained upon payment of a fee of \$1.25.

(j) Duplicate registrations may be obtained upon payment of a fee of \$10.00. (Authorized by and implementing K.S.A. 1982 Supp. 65-1645; effective May 1, 1983.)

#### Article 12.—INSTITUTIONAL DRUG ROOMS

**68-12-1. Storage in and record keeping by institutional drug rooms.** The scope of record keeping and storage of drugs by institutional drug rooms shall conform with federal and state laws and shall conform to the following regulations for the proper control of drugs. (a) Institutional drug rooms shall be under the supervision of a pharmacist or practitioner who shall be responsible for developing written procedures for the proper distribution and control of prescription-only drugs. These procedures shall be consistent with the following:

(1) Prescription-only drugs may be obtained by a registered nurse or nurses designated by the pharmacist or practitioner, and under their supervision and only upon a practitioner's prescription order for administration to a patient. Adequate records of such withdrawals shall be maintained.

(2) If a prescription cannot be filled, an interim supply of prepackaged medication may be supplied by a registered nurse or nurses designated by the pharmacist or practitioner upon a practitioner's prescription order. The nurse or nurses shall be under a practitioner's or pharmacist's supervision. The interim supply shall conform with the following labeling re-

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quirements and shall meet federal packaging requirements regarding child resistant containers:

(A) Name, address and telephone number of the drug room;

(B) patient's name;

(C) adequate directions;

(D) practitioner's name;

(E) date and identifying number;

(F) name, quantity and strength of medication; and

(G) auxiliary labels, if needed.

(3) The interim supply shall be limited in quantity to an amount sufficient to supply the patient's needs until a prescription can be filled. Adequate records of the distribution of the interim supply shall be maintained and shall include the original practitioner's order or a copy of the original.

(A) If the order was given orally or by telephone, the registered nurse or nurses designated by the pharmacist or practitioner shall reduce the order to writing. The written copy shall be signed by the registered nurse or nurses and the practitioner and maintained in a permanent file.

(B) The records shall further include the following: name of the patient, age, date, drug, strength, quantity distributed, directions for use, practitioner's name and DEA number, if appropriate.

(4) The registered nurse or nurses may enter the institutional drug room, and remove properly labeled stock containers, commercially labeled packages, or prepackaged units of medication that are properly labeled. The registered nurse or nurses shall not transfer medication from one container to another for future use, but shall transfer a single dose from a stock container for immediate administration to the ultimate user.

(b) The pharmacist or practitioner shall maintain documentation of at least quarterly checks of drug records, drug storage conditions and drugs stored.

(c) The pharmacist or practitioner shall be responsible for establishing written procedures for the removal and disposition of drugs which are recalled or outdated. (Authorized by and implementing K.S.A. 65-1637a; effective May 1, 1983.)

#### Article 20.—CONTROLLED SUBSTANCES

**68-20-2 to 68-20-4.** (Authorized by K.S.A. 65-4102; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; revoked May 1, 1983.)

**68-20-5.** (Authorized by K.S.A. 1977 Supp. 65-4115; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; revoked May 1, 1983.)

**68-20-6.** (Authorized by K.S.A. 1977 Supp. 65-4115; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; amended, E-77-42, Sep. 9, 1976; amended Feb. 15, 1977; amended May 1, 1978; revoked May 1, 1983.)

**68-20-7.** (Authorized by K.S.A. 65-4102; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; revoked May 1, 1983.)

**68-20-8a.** (Authorized by K.S.A. 1977 Supp. 65-4115; effective May 1, 1978; revoked May 1, 1983.)

#### **68-20-9. Fees for registration and reregistration.**

(a) Fee amounts.

(1) For each registration or reregistration to manufacture controlled substances within this state, the registrant shall pay a fee of \$100.00.

(2) For each registration or reregistration of a manufacturer for each location in this state where controlled substances are manufactured, the registrant shall pay a fee of \$50.00.

(3) For each registration or reregistration to distribute controlled substances within this state, the registrant shall pay a fee of \$100.00.

(4) For each registration or reregistration for each location in this state from which controlled substances are distributed, the registrant shall pay a fee of \$50.00.

(5) For each registration or reregistration of a person to dispense controlled substances in this state listed in schedules II through V, the registrant shall pay a fee of \$2.00.

(6) For each registration or reregistration for each location in this state where controlled substances listed in schedules II through V are dispensed, the registrant shall pay a fee of \$25.00.

(7) For each registration or reregistration to conduct research or institutional activities with controlled substances listed in schedules I through V, within this state, the registrant shall pay a fee of \$25.00.

(8) For each registration or reregistration for each location where research or institutional activities with controlled substances listed in schedules I through V are conducted, the registrant shall pay a fee of \$25.00.

(9) For each registration or reregistration to conduct chemical analysis with controlled substances listed in schedules I through V, within this state, the registrant shall pay a fee of \$25.00.

(10) For each registration or reregistration for each location where chemical analysis with controlled substances listed in schedules II through V are conducted, the registrant shall pay a fee of \$25.00.

(11) In addition to the fees specifically set forth above, there shall be a filing fee of \$3.00 that shall accompany each application for registration or reregistration submitted under paragraphs (1) through (10) above.

(b) Time and method of payment; refund. Registration and reregistration fees shall be paid at the time when the application for registration or reregistration is submitted for filing. Payment shall be made in the form of a personal, certified, or cashier's check or money order payable to the state board of pharmacy. Payments made in the form of stamps, foreign currency or third party endorsement checks shall not be accepted. In the event that the application is not accepted for filing or is denied, all payments made under paragraph (a) above, (1) through (10), shall be refunded to the applicant. That fee paid under paragraph 68-20-9(a)(11) shall be retained by the state board of pharmacy to defray the administrative expenses connected with the receipt, review and processing of that application.

(c) Persons exempt from fee provided for in paragraph 68-20-9(a), (1) through (10).

(continued)

(1) The secretary or executive secretary of the board shall exempt from payment of a fee for registration or reregistration the following persons.

(A) Any official or agency of the U.S. army, navy, marine corps, air force, coast guard, veterans' administration or public health service who or which is authorized to procure or purchase controlled substances for official use shall be exempt.

(B) The state board of pharmacy may approve an exemption for any official, employee, or other civil service or agency of the United States, of any state, or any political subdivision or agency thereof, to dispense or administer such substances, to conduct research, instructional activities, or chemical analysis with such substances, or any combination thereof, in the course of the official duties of employment.

(2) In order to claim exemption from payment of a registration or reregistration fee, the registrant shall have completed the certification on the appropriate application forms. The registrant's superior or officer shall certify the status and address of the registrant and to the authority of the registrant to acquire, possess, or handle controlled substances.

(3) Exemption from payment of a registration or reregistration fee shall not relieve the registrant of any other requirements or duties prescribed by law. (Authorized by and implementing K.S.A. 65-4115, K.S.A. 1982 Supp. 65-4116; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; amended May 1, 1983.)

**68-20-15.** (Authorized by K.S.A. 1976 Supp. 65-4115; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; amended, E-77-42, Sep. 9, 1976; amended Feb. 15, 1977; revoked May 1, 1983.)

**68-20-15a. Security requirements.** (a) *General security requirements.* Every applicant and registrant shall provide effective controls and procedures to guard against theft and diversion of controlled substances in conformance with the security requirements of federal law, including the requirements prescribed in part 1301.71 of title 21 of the code of federal regulations, April 1, 1980.

(b) *Physical security controls for nonpractitioners; storage areas.* Raw materials, bulk materials awaiting further processing, and finished products which are controlled substances shall be stored in secured storage areas in conformance with the requirements of federal law, including the requirements prescribed in part 1301.72 of title 21 of the code of federal regulations, April 1, 1980.

(c) *Physical security controls for nonpractitioners; manufacturing and compounding areas.* All manufacturing activities (including processing, packaging and labelling) involving controlled substances listed in any schedule and all activities of compounding shall be conducted in conformance with the security requirements of federal law, including the requirements prescribed in part 1301.73 of title 21 of the code of federal regulations, April 1, 1980.

(d) *Other security controls for nonpractitioners.* (1) Good faith inquiry. Before distributing a controlled substance to any person who the registrant does not

know to be registered to possess a controlled substance, the registrant shall make a good faith inquiry with the board to determine that the person is registered to possess a controlled substance.

(2) Suspicious orders. The registrant shall design an operative system to disclose to the registrant suspicious orders of controlled substances. The registrant shall inform the board of suspicious orders when discovered by the registrant. Suspicious orders shall include orders of unusual size, orders deviating from a normal pattern and orders of unusual frequency.

(3) Any controlled substance listed in schedules II through V shall not be distributed as complimentary samples.

(e) *Physical security controls for practitioners.* All practitioners shall provide effective controls and procedures to guard against theft and diversion of controlled substances in conformance with the security requirements of federal law, including requirements prescribed in part 1301.75 of title 21 of the code of federal regulations, April 1, 1980.

(f) *Other security controls for practitioners.* (1) In order to minimize the opportunities for diversion of controlled substances, practitioners shall provide effective physical security, shall initiate additional procedures to reduce access by unauthorized personnel and shall provide an alarm system if necessary.

(2) Without prior written consent of the board, a practitioner shall not knowingly employ an agent or employee who will, as a result of that employment, have access to controlled substances if: (A) the employee has had an application for registration with the board denied or revoked at any time; or

(B) an agent or employee has had a federal application for registration denied or revoked at any time. Any potential agent or employee affected by this section may, prior to seeking employment with any practitioner, apply to the board for a certificate of good standing for the purpose of seeking that employment. If the certificate of good standing is granted by the board, the affected person may apply for employment by a practitioner, without disclosing in the application for employment any prior denial or revocation by the board.

(3) Each practitioner shall notify the board in writing of the theft or loss of any controlled substances upon discovery of the loss or theft.

(4) Minimum security standards for practitioners as set forth in these regulations shall be considered as guidelines to be used in evaluating security. The board may require additional security controls and operating procedures to prevent diversion of controlled substances. (Authorized by K.S.A. 1982 Supp. 65-4102; implementing K.S.A. 1982 Supp. 65-4116; effective May 1, 1983.)

**68-20-20. Controlled substances listed in schedules III and IV.** (a) *Requirements of prescription.* (1) A pharmacist may dispense a controlled substance listed in schedule III, IV or V, which is a prescription drug as determined under these regulations or under the federal food, drug, and cosmetic act, pursuant only to a written prescription signed by a prescribing individual.

(continued)

ual practitioner, or an oral prescription made by a prescribing individual practitioner, and promptly reduced to writing by the pharmacist containing all information required in paragraph 68-20-18C of these regulations, except for the signature of the prescribing practitioner.

(2) A practitioner may administer or dispense a controlled substance listed in schedule III, or IV or V in the course of the practitioner's professional practice without a prescription, subject to paragraph 68-20-18E of these regulations.

(3) A hospital or other institution registered with the board may administer or dispense directly (but not prescribe) a controlled substance listed in schedule III, IV or V only pursuant to a written prescription signed by the prescribing practitioner, or to an order for medication made by a practitioner which is dispensed for immediate administration to the ultimate user.

(b) *Filling of prescriptions.* (1) Each refilling of a prescription shall be entered on the back of a prescription, with the following additional information:

(A) Date of refilling or dispensing;

(B) The amount dispensed; and

(C) The name or initials of the dispensing pharmacist or intern.

(2) Additional quantities of controlled substances listed in schedules III or IV may only be authorized by a prescribing practitioner through issuance of a new prescription as provided in paragraph 68-20-18C of these regulations.

(3) In the case of hospitals or other institutions registered with the board, all requirements mentioned in paragraphs (1) and (2) above shall be maintained on the medication records or other readily retrievable records regularly maintained by such institution.

(c) *Partial filling of prescriptions.* A prescription for a controlled substance listed in schedule III, IV or V may be partially filled if: (1) Each partial filling is recorded in the same manner as a refilling;

(2) The total quantity dispensed in all partial fillings does not exceed the total quantity prescribed; and

(3) Except for a controlled substance listed in schedule V, no dispensing occurs after six months after the date on which the prescription was issued.

(d) *Labeling of substances.* The pharmacist filling a prescription for a controlled substance listed in schedule III or IV shall affix to the package a label showing the pharmacy name and address, the serial number and date of initial filling, the name of the patient, the name of the practitioner issuing the prescription, and directions for use and cautionary statements, if any, contained in the prescription as required by law.

(e) *Filing prescriptions.* All prescriptions for controlled substances listed in schedules III, IV and V shall be kept in accordance with the provisions of paragraph 68-20-16 of these regulations. (Authorized by and implementing K.S.A. 65-4120, 65-4122; effective, E-72-24, Aug. 25, 1972; effective Jan. 1, 1973; amended May 1, 1983.)

JOSEPH G. SHALINSKY  
Executive Secretary

Doc. No. 001112

## 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. 1982 Supp. 77-415 *et seq.* These regulations are scheduled to become effective May 1, 1983, 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 5, 1983 issue of the *Register* will contain a complete index to regulations effective May 1, and any legislative actions on them.

### CORPORATION COMMISSION ADMINISTRATIVE REGULATIONS

#### Article 1.—RULES OF PRACTICE AND PROCEDURE

**82-1-228. Hearings.** (a) *General provisions.* Public hearings shall be held in the hearing rooms of the commission in the state office building at Topeka, Kansas, in any district courtroom, at such other place in Kansas as the commission may deem appropriate or at any place required by statute. All hearings before the commission shall be conducted by the commissioner, by a commissioner, by a hearing examiner or by any other person duly authorized by the commission to conduct the hearing. The provisions of these rules governing hearings before the commission shall be applicable to hearings conducted by a commissioner, hearing examiner or other person appointed by the commission to conduct a hearing.

(b) *Convening of hearings.* On the date and at the place and time stated in the notice of the hearing, the chairman or other persons conducting the hearing shall call the docket by announcing the docket number and by reading the caption thereof into the record. Commission hearings shall be opened in a formal way on each day upon which commission business is transacted.

(c) *Scope of hearing.* The commissioner or other person presiding at the hearing may make a concise statement of the scope and the purpose of the hearing and the issues involved therein at the beginning of the hearing.

(d) *Appearances.* Attorneys for all parties, or other representatives authorized by the commission pursuant to paragraph (3) of this subsection, shall enter their appearances by giving their names and addresses to the reporter and to the commission. The reporter will include said names and addresses in the transcript of the hearing.

(1) Except as otherwise provided in paragraph (2) of this subsection, any party may appear before the commission and be heard in person and in his or her own behalf; or he or she may appear and be represented by any attorney who is a resident of Kansas and regularly admitted to practice in the courts of record of the state

(continued)



of Kansas; or he or she may appear and be represented by any regularly admitted practicing attorney in the courts of record of another state of the United States, who has associated and personally appearing with him or her as local counsel in the proceeding before the commission, an attorney who is a resident of Kansas and duly qualified to practice law therein. Said local counsel shall first enter his or her own appearance and then orally move for the admission of the nonresident attorney with whom he or she is associated.

(2) Except as otherwise provided in paragraph (3) of this subsection, a corporation shall not be permitted to enter an appearance, except by its attorney.

(3) In any intrastate railroad proceeding pursuant to the *Staggers Rail Act of 1980* before the commission, a person not an attorney at law, who is a resident of the state of Kansas, may be allowed to represent a party before the commission if the person is a duly registered Interstate Commerce Commission Class B Practitioner who is representing his or her permanent employer or is a duly elected officer of a union representing a group of employees of a railroad, and the person has obtained approval of the commission to appear as a representative upon a motion which shall include said individual's qualifications, the name of the party he or she wishes to represent and the proceeding in which they wish to appear.

The conduct of any non-attorney who may be granted permission to appear before the commission shall be the same as required of attorneys appearing before the commission, and the commission may refuse to allow anyone to appear before to whose conduct is deemed inappropriate.

(e) *Preliminary matters.* After the calling of the docket, the statement of the scope and purpose of the hearing, the entries of the appearances of attorneys or other representatives for the parties who meet the above requirements shall be made. The oath required of nonresident attorneys shall be administered to those attorneys by the person presiding at the hearing, and thereafter, an oral order admitting them as attorneys in the proceeding then pending shall be made by the person presiding at the hearing and they shall enter their appearances on the record. Thereafter, the following matters should be disposed of in the following order:

- (1) Petitions for leave to intervene;
- (2) Any other pending petitions or motions;
- (3) Stipulations of the parties; and
- (4) Opening statements of attorneys or other representatives for the parties.

Parties may make written or oral stipulations in conformance with these rules, and stipulations of facts will be regarded as evidence at the hearing; however, these stipulations shall not be binding upon the commission. Opening statements, if any, may be made immediately prior to the introduction of testimony.

(f) *Hearing room conduct.* The conduct of attorneys and other representatives during a hearing shall be the same as is required of attorneys by rules of the district courts of Kansas. Attorneys and other representatives shall examine witnesses from a position at the counsel table, except when handling exhibits.

Smoking shall not be permitted in the hearing rooms during sessions or during recesses. The use of photographic equipment or recording devices shall not be prohibited during hearings except that the person presiding at the hearing may regulate the use of this equipment or devices to insure the orderly conduct of the proceedings. (Authorized by K.S.A. 55-604, 55-704, 66-106; implementing K.S.A. 7-104, 66-103, 66-106, 66-165; effective Jan. 1, 1966; amended Feb. 15, 1977; amended, T-83-12, June 9, 1982; amended May 1, 1983.)

**82-1-231. Applications in rate cases.** (a) *Scope.* An electric, gas, telephone or water utility whose rates are under review by this commission at the request of the utility, or as a result of investigation, complaint or any other procedure, shall comply with this rule and shall be prepared to establish by appropriate schedules and competent testimony all relevant facts and data pertaining to its business and operations which will assist the commission in arriving at a determination of rates which will be fair, just and reasonable both to the utility and the public.

(b) *Procedures for different classes of utilities.* Utilities shall be classified according to the uniform system of accounts prescribed by the commission. A class A or class B utility shall, when proposed changes in tariffs will result in a major increase in rates or charges, prepare and submit its application and schedules in conformity with subsection (c) of this rule. All rural electric cooperative distribution systems providing service to less than 15,000 customers and any utility which, for any reason, is classified as other than a class A or class B electric, gas, telephone or water utility may follow the procedures outlined in subsection (d) of this rule. Subject to prior approval by the commission, utilities which propose a change in rates within 12 months after a commission order following a general rate proceeding and investigation, and which are willing to adopt all the regulatory procedures, principles and rate of return established by the commission in that order may submit schedules which eliminate data which is a duplication of information provided in the original schedules. An application by a class A and class B utility shall be construed to propose changes in tariffs which result in a major increase in rates or charges, when:

(1) The proposed changes relate to a general increase in revenues for the purpose of obtaining an alleged fair rate of return;

(2) material changes in operations, facilities or cost of service occur subsequent to the test year employed in any major rate decision (except for proposals which are for the sole purpose of compensating for the increased production or purchase cost of a principal product); or

(3) the proposed changes will, in the opinion of the commission, materially affect the public interest.

(c) *Class A and class B utility rate proceedings; application and evidence.* An application by a class A or class B utility which proposes a major increase in rates or charges shall be accompanied by schedules

(continued)

which will indicate to the commission the nature and extent of the proposed changes to be effected. Applications shall be based upon data submitted for a test year. A test year is any consecutive 12 month period selected for the purpose of determining or justifying the rates. The commission may disapprove for cause the test year selected by the applicant. The original and nine copies of the application and schedules shall be filed with the commission. Each application and schedules shall be bound together under one looseleaf binder, unless the bulk of the material would make such handling impractical, in which case two or more volumes in looseleaf form shall be filed. The size of print used in the application and schedules shall not be smaller than elite type reduced 25 percent. Negative numbers shall be shown in parentheses. Amounts included in the application shall be cross-referenced between the appropriate summary schedule and supporting schedules as well as between the various sections. Referencing shall include allocation ratios, when appropriate. All items shall be self-explanatory or additional information, cross references or explanatory footnotes shall be presented on the schedule. The application shall be supported by schedules as required by this section, and shall be assembled under topical sections, with index tabs for each section and page number for each schedule. The form, order and titles of each section shall conform to the following requirements:

(1) *Application, letter of transmittal, and authorization.* This section shall contain a copy of the application, a copy of the letter of transmittal, and the appropriate document or documents authorizing the filing of the application, if any.

(2) *General information and publicity.* This section shall describe the means generally employed by the utility to acquaint the general public to be affected by the proposed rate change with the nature and extent of the proposal. This section may include, but is not limited to, statements concerning meetings with public officials, civic organizations and citizen groups, newspaper articles and advertisements, and shall include general information concerning the application which will be of interest to the public and suitable for publication. Such information shall include, when applicable:

(A) The amount of dollars of the aggregate annual increase which the application proposes;

(B) names of communities affected;

(C) the number and classification of customers to be affected;

(D) the average per customer increase sought in dollars and cents;

(E) a summary of the reasons for filing the application;

(F) such other pertinent information which the applicant may desire to submit or which the commission may in its discretion require; and

(G) copies of any press releases issued by the applicant prior to or at the time of filing the application for a rate review, relating to that review.

(3) *Summary of rate base, operating income and rate of return.* This section shall contain schedules

which show the components of the test year rate base, operating revenues, expenses and income as well as the rate of return under the present and proposed tariff or tariffs. The schedules shall be presented as follows:

(A) The first schedule shall summarize, for each utility service for which the rate change is sought, the total Kansas and Kansas jurisdictional components of the rate base, operating revenues, expenses, income and rate of return.

(B) Supporting schedules shall show the unadjusted total Kansas figures and shall further set out each adjustment to arrive at the total adjustments. When added to the unadjusted total, the unadjusted total Kansas figures shall correspond with the total Kansas figures presented on the first schedule of this section.

(C) Additional schedules not applicable to other sections of the application may be set out in this section.

(4) *Plant investments.* This section shall contain the items of plant investment, presented in the following manner:

(A) The first schedule shall detail, by functional classification, unadjusted amounts, adjustments to these amounts and jurisdictional allocations.

(B) Supplemental schedules, by primary account, shall set forth year end plant investment for the three calendar years preceding the test year, for the test year and for the 12 month period preceding the test year. Additional schedules setting forth pertinent information related to the plant may be submitted under this section. Primary account, as utilized in this rule, shall mean the account classification provided in the uniform system of accounts prescribed by the commission for the utility.

(5) *Accumulated provision for depreciation, amortization and depletion.* This section shall contain schedules which shall show by functional classification (as of dates corresponding with the dates of plant investment data submitted under section 4) the balances of the reserve accounts in which the credits representing provisions for depreciation, amortization, depletion, any adjustments thereto and jurisdictional allocations are accumulated. Upon commission request, or when considered relevant by the utility, schedules may be submitted showing analysis of the activities of the reserve accounts relating to the plant in service, segregated by primary accounts, or other segregation as is required by the uniform system of accounts prescribed by the commission for that utility.

(6) *Working capital.* This section shall set forth in detail each component of the working capital items the applicant proposes to submit as elements in the composition of the rate base. This section shall be presented as follows:

(A) The first schedule shall contain the components included in working capital, adjustments thereto and jurisdictional allocations.

(B) The method of calculation for each component of working capital and a complete explanation of any pro forma adjustments shall be included in supporting schedules.

(7) *Capital and cost of money.* This section shall contain:

(continued)



(A) A schedule indicating the amounts of the major components of the capital structure of the utility (e.g. long term debt, preferred stock, common equity) outstanding as of the beginning and at the end of the test year. This schedule shall contain the ratios of each component to the total capital including the percentage cost and the requested overall rate of return. When only a portion of the capital serves the utility operations involved in the proceeding (such as would be the case in a multiutility or multistate operation) the schedule shall show an appropriate allocation of the capital items.

(B) a schedule disclosing the cost of each issue of debt and preferred stock outstanding, with due allowance for premiums, discounts and issuance expense. Data relating to the other components of capital as may be appropriate shall also be included.

(C) a schedule displaying historical interest coverage for at least the three calendar years preceding the test year, the test year and the 12 month period preceding the test year. The method used in the calculation shall be indicated and shall be consistent with the applicant's bond indenture requirements.

(D) If the applicant is a part of a consolidated group or a division of another company, the consolidated capital structure shall be included in this section.

(8) *Financial and operating data.* This section shall contain, for each of the three calendar years immediately preceding the test year, the test year, and the 12 month period preceding the test year:

(A) A balance sheet by primary account;

(B) comparative income and retained earnings statements (with primary account numbers shown) indicating dividends paid by class of stock;

(C) operating revenues and expenses by primary accounts;

(D) operating statistics appropriate to the type of utility, e.g. kwh or mcf sales by rate schedules and customer consumption, power cost per kwh, and maintenance cost per subscriber, shall be presented in at least the same detail as is required in the annual reports to the commission;

(E) annual payrolls by primary account.

(9) *Test year and pro forma income statements.* The first schedule shall present an operating income statement depicting the unadjusted test year operations, pro forma test year operations and allocations to jurisdictions. Supporting schedules shall set forth a full and complete explanation of the purpose and rationale for the pro forma adjustments. Such pro forma adjustments may include, but are not limited to:

(A) Adjustments to reflect the elimination or normalization of nonrecurring and unusual items; and

(B) adjustments for known or determinable changes in revenue and expenses.

(10) *Depreciation and amortization.* This section shall include the schedules indicating depreciation rates by primary account, depreciation expense for the test year, and amounts charged to operations, clearing accounts and construction. When items of amortization appear in the income statements, schedules showing the basis for those items shall also be included in this section or made available. If new de-

preciation rates are proposed, a copy of the depreciation study shall be provided or made available.

(11) *Taxes.* This section shall contain the following information:

(A) The first schedule shall detail the various taxes chargeable to operations and allocated jurisdictionally. Appropriate supporting schedules for taxes other than income taxes shall be provided if pro forma adjustments are presented;

(B) A schedule disclosing the calculation of taxable income shall be included.

(C) A description of adjustments to arrive at taxable income, including method of computation, shall be provided.

(D) A schedule shall be provided depicting the calculation of income taxes, the jurisdictional allocation of those taxes and the additional detail as the division of those taxes as to current or deferred.

(E) A schedule shall also be included for deferred investment tax credits showing the annual charges, credits and balance to that account for a period of not less than 10 years. Furthermore, those schedules shall show the accumulated investment tax credits by the pertinent effective rate or rates for the test year and the year preceding the test year.

(F) A schedule shall be included for deferred income taxes showing the annual charges, credits and balance to that account for a period of not less than 10 years and for the test year and the year preceding the test year. For both the investment tax credits and deferred income tax schedules, the test year and the year preceding the test year balances shall be allocated to the jurisdictions.

(12) *Allocation ratios.* This section shall contain complete detail for all ratios used in the allocations between jurisdictions, areas of operations, departments, classes of customers and other allocable items; and a narrative description of the rationale of the allocation ratio, the components and their source included in the calculation of the ratio, the allocation percentages applicable to jurisdictions or department and what is being allocated by the ratio.

(13) *Annual report to stockholders and the U.S. Securities and Exchange Commission.* This section shall contain:

(A) The most recent annual report of the utility to its stockholders and, if the utility is a subsidiary of a parent corporation, the most recent annual report of the parent corporation to its stockholders; and

(B) when applicable, a copy of the most recent form 10-K filed with the U.S. Securities and Exchange Commission.

(14 through 16) *Additional evidence.* These sections include all other schedules, exhibits and data deemed pertinent to the application which may not be properly included under the preceding sections. Such additional evidence may be submitted at the option of the applicant and shall be submitted upon the direction of the commission.

(17) This section shall be applicable only to applications and schedules filed by or pertaining to the operations of gas or electric utilities. This section shall contain:

(continued)

(A) A summary schedule which provides, by general customer classification, the test year revenues utilizing the existing and proposed tariffs. (The test year revenues under existing tariffs shall be adjusted when pro forma normalization or annualization adjustments are appropriate)

(B) a schedule detailing for the test year the following data by tariff schedule:

- (i) The tariff number;
- (ii) a narrative description of that tariff number;
- (iii) the average number of customers served during the test year;
- (iv) the units sold;
- (v) the base revenue;
- (vi) the revenue from riders, fuel or purchased power clauses;
- (vii) the total revenue (as adjusted if appropriate) utilizing the existing tariff;
- (viii) revenue per unit sold;
- (ix) the proposed tariff revenue;
- (x) the proposed revenue per unit;
- (xi) the dollar increase and
- (xii) the percentage increase.

(18) This section shall contain the proposed rate change schedules. All new language or figures shall be designated by underlining or in another appropriate manner. All deleted language or figures shall be designated in a different manner, such as italics. Upon request and within the time limits the commission determines, the commission may permit the filing of the proposed rate schedule or other materials required to be filed under this rule, separate from the filing of the application and schedules.

(d) *Rate proceedings by rural distribution electric cooperative systems providing service to less than 15,000 customers and those utilities other than class A and B electric, gas, telephone or water utilities.* Such utilities may prepare a rate application and submit schedules in accordance with the above and foregoing provisions of this rule, or they may elect to prepare a less extensive application and schedules, more appropriate to the operations of smaller utilities. Such applications or schedules shall be in the form and substance permitted by the commission in their discretion and shall eliminate foregoing requirements which may be burdensome and unnecessary for smaller utilities.

(e) *Revisions of applications and schedules.* If the applicant desires to make revisions to its application and schedules, other than minor corrections and insertions which can only be made by interlineation without unduly prolonging a hearing with respect to such application or schedules, the applicant shall file with the commission such revised schedules as are necessary to reflect the desired revisions, as follows:

(1) Each page of any such revised section or schedule shall bear the same section letter designation, schedule number, and page number as the original page with the word "Revised" and the date of the revision immediately below the original section, schedule, or page designation.

(2) There shall be filed the same number of copies

of any revised sections, schedules or pages as the number of copies originally required to be filed;

(3) A copy of each revised section, schedule or page shall also be served upon each party whose intervention has previously been permitted by the commission pursuant to rule 82-1-125;

(4) All revised sections, schedules and pages shall be filed in accordance with the provisions of rule 82-1-221, unless otherwise ordered by the commission for good cause shown.

(5) Substantial revisions of the schedules, such as changing to a different test year, may constitute grounds for the commission to continue any scheduled hearing to a later date, if necessary for its staff to conduct further investigation or revise its schedules with respect to these revisions.

(f) Prepared testimony is required in all class A and class B utility rate proceedings filed pursuant to subsection (c) of this rule and shall be filed simultaneously with the filing of the application.

(g) For good cause shown the commission may waive any of the requirements of this rule. (Authorized by and implementing K.S.A. 66-106; effective Jan. 1, 1966; amended Feb. 15, 1977; amended, E-78-31, November 9, 1977; amended May 1, 1978; amended, E-82-1, Jan. 21, 1981; amended May 1, 1981; amended, T-83-43, Dec. 8, 1982; amended May 1, 1983.)

## Article 2.—OIL AND GAS CONSERVATION

### OIL CONSERVATION

**82-2-100.** (Authorized by K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-101.** (Authorized by and implementing 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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-103.** (Authorized by K.S.A. 55-603; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-104.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-105, 82-2-106.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-108.** (Authorized by K.S.A. 55-603; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-109.** (Authorized by and implementing K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective

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Jan. 1, 1973; amended May 1, 1979; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-110.** (Authorized by and implementing K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1981; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-111.** (Authorized by K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-112, 82-2-113.** (Authorized by K.S.A. 55-603; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-114.** (Authorized by K.S.A. 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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-115.** (Authorized by and implementing K.S.A. 55-604; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-116.** (Authorized by K.S.A. 55-604; implementing K.S.A. 55-131, 55-609; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1975; amended May 1, 1978; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-117.** (Authorized by K.S.A. 55-604; implementing K.S.A. 55-131, 55-609; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-118.** (Authorized by K.S.A. 55-602; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-119.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-120, 82-2-121.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-122.** (Authorized by K.S.A. 55-602; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-123.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-124.** (Authorized by K.S.A. 55-609a, 55-609b; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-125.** (Authorized by and implementing K.S.A. 55-604, 55-704, K.S.A. 1981 Supp. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973;

amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-126.** (Authorized by and implementing K.S.A. 55-604; effective May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-127 to 82-2-130.** (Authorized by K.S.A. 55-604; implementing K.S.A. 55-603; effective May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### GAS CONSERVATION

**82-2-204.** (Authorized by and implementing K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-207.** (Authorized by K.S.A. 55-705b; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-210.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-211.** (Authorized by and implementing K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-212.** (Authorized by K.S.A. 55-703; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-213.** (Authorized by K.S.A. 55-704; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-214.** (Authorized by K.S.A. 55-703; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-215.** (Authorized by K.S.A. 55-702; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-216.** (Authorized by K.S.A. 55-711; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, E-76-38, Sep. 1, 1975; amended May 1, 1976; amended, T-83-14, July 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-217.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-218.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-219.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

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**82-2-220.** (Authorized by K.S.A. 55-1203; effective, E-72-4, Jan. 1, 1972; effective, Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-221 to 82-2-224.** (Authorized by K.S.A. 55-704; implementing K.S.A. 55-703a, 55-704; effective May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-225.** (Authorized by K.S.A. 55-704; implementing K.S.A. 1981 Supp. 55-703; effective May 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### DRILLING AND PLUGGING OF OIL OR GAS WELLS AND SEISMIC CORE OR EXPLORATORY HOLES

**82-2-302, 82-2-303.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-304.** (Authorized by K.S.A. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended Feb. 15, 1977; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-305 to 82-2-308.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-309.** (Authorized by K.S.A. 55-128; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, E-78-3, Nov. 10, 1976; amended May 1, 1978; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-311.** (Authorized by K.S.A. 55-128a; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended May 1, 1979; amended, T-83-14, July 1, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-312.** (Authorized by K.S.A. 55-128b; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### UNDERGROUND DISPOSAL OF SALT WATER

**82-2-400.** (Authorized by K.S.A. 65-171d, K.S.A. 1981 Supp. 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1981 Supp. 55-901; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, E-77-3, Jan. 13, 1976; amended Feb. 15, 1977; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-401.** (Authorized by K.S.A. 1981 Supp. 55-901; implementing K.S.A. 55-1003, K.S.A. 1981 Supp. 55-901; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-403.** (Authorized by K.S.A. 1981 Supp. 55-901; implementing K.S.A. 55-1003; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-404.** (Authorized by K.S.A. 1981 Supp. 55-901; implementing K.S.A. 55-1003, K.S.A. 1981 Supp. 55-901; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-405.** (Authorized by and implementing K.S.A. 1981 Supp. 55-901; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-406 to 82-2-411.** (Authorized by K.S.A. 65-171d, 1981 Supp. 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1981 Supp. 55-901; effective, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### FLUID REPRESSURING AND WATER FLOODING OF OIL AND GAS PROPERTIES

**82-2-500 to 82-2-504.** (Authorized by K.S.A. 55-134, 65-171d; implementing K.S.A. 55-133, 65-171d; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-505.** (Authorized by and implementing K.S.A. 1981 Supp. 55-135; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-508 to 82-2-510.** (Authorized by K.S.A. 55-134, 65-171d; implementing K.S.A. 55-133, 65-171d; effective, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-511.** (Authorized by K.S.A. 65-171d, K.S.A. 1981 Supp. 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1981 Supp. 55-901; effective, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-512.** (Authorized by K.S.A. 55-134; implementing K.S.A. 55-133; effective, T-83-8, April 29, 1982; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### COMMINGLING

**82-2-600.** (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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### PLUGGING OF ABANDONED OIL OR GAS WELLS

**82-2-700.** (Authorized by K.S.A. 55-141; effective, E-72-4, Jan. 1, 1972; effective Jan. 1, 1973; amended, May 1, 1978; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

#### NATURAL GAS WELL CLASSIFICATION

**82-2-800.** (Authorized by K.S.A. 66-1,185; effective, E-80-3, March 8, 1979; effective, E-81-9, April 9, 1980; effective May 1, 1981; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-801.** (Authorized by and implementing

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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; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

**82-2-802 through 82-2-804.** (Authorized by K.S.A. 66-1,185; effective, E-80-3, March 8, 1979; effective, E-81-9, April 9, 1980; effective May 1, 1981; revoked, T-83-44, Dec. 8, 1982; revoked May 1, 1983.)

### Article 3.—RULES FOR THE PRODUCTION AND CONSERVATION OF OIL AND GAS

**82-3-100. General and special rules and regulations.** General rules, regulations and orders shall be statewide in application unless otherwise specifically stated.

Special rules, regulations and orders shall be issued when required, and shall prevail over general rules, regulations and orders if a conflict occurs. The commission may waive the requirements of any regulation upon a showing of good cause. Waivers shall only be granted after notice and hearing. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-101. 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) "Allowable" means the amount of oil or gas authorized to be produced by order of the commission.

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

(4) "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 associated with the administration of the oil or gas conservation act.

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

(6) "Casing" means tubular goods used to line a well bore.

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

(8) "Cement" means Portland cement or a blend of Portland cement used in the oil and gas industry to support and protect casing and to prevent the migration of subsurface fluids by the formation of an impermeable barrier.

(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 from that supply only in a manner or amount that will 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 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 to be 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 production, and directing payment according to those interests.

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

(21) "Enhanced recovery injection well" means a well which injects fluids 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, or gas 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 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 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 as corrected for deviation.

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(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 1½ grains of hydrogen sulphide per 100 cubic feet or more than 30 grains of total sulphur per 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 25 barrels or less per day.

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

(32) "Mud-laden fluid" means any commission 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)" 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 24 hours against atmospheric pressure, computed according to the 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, 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 between operators, producers and royalty owners who are within a common source of supply, that would favor any one pool as compared to 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 40 feet deep on those 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 fluids for enhanced recovery projects; or

(C) The disposal of salt water.

(51) "Shortage" means the amount by which the oil or gas 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 or extract hydrocarbons for storage purposes.

(55) "Stratigraphic hole" means a hole, normally of 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)" occurs 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)" occurs 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)" occurs 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 casinghead 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.

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(62) "Well log" means the written record progressively describing the well's down-hole development.

(63) "Well history" means the chronological record of the development and completion of a well.

(b) All terms not defined in this definitional section shall be interpreted to be consistent with their common use in the industry. (Authorized by and implementing K.S.A. 55-602, 55-604, 55-704, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-102. Classification of wells; determining and naming common sources of supply; nomenclature committee.** Wells shall be classified by 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 common sources of supply, preference shall be given to common usage and geographic names. Separate common sources of supply within the same field shall, if possible, 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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-103. Notice of intention to drill.** (a) Every person, firm, association or corporation drilling or responsible for drilling seismic, core, or stratigraphic holes penetrating salt water formations for the exploratory purposes shall give written notice to the conservation division of the intent to drill. This notice of intent shall be in the office of the conservation division at least five days before any drilling is commenced. The notice of intention to drill shall be verified by the operator 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 fresh and usable water well within the limits of the area which is shown in the notice of intent to drill;
- (6) the contemplated depth of the deepest exploratory hole to be drilled;
- (7) the operator's and contractor's license number; and
- (8) the operator's designated agent.

(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. The 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 and usable water well within a one mile radius of the proposed drilling location;

(7) the operator's and contractor's license number;

(8) the operator's designated agent; and

(9) 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 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 commission approval has been received. A copy of the approved notice of intent to drill shall be posted on each drilling rig.

(d) Preliminary plugging instructions shall be given to the operator with the approved notice of intention to drill.

(e) The approval of the notice of intent to drill shall expire six months from the date of approval. The commission may grant a six-month extension on the approval, provided a written request for that extension is filed with the conservation division prior to the expiration date of the intent. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-151, 55-152; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-104. 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 an agent of the commission. (Authorized by K.S.A. 55-602; implementing K.S.A. 1982 Supp. 55-159; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-105. Well cementing.** The use of cement in setting casing or sealing off producing formations or fresh and usable water formations shall be required. If a service company is utilized for cementing, the completion report shall contain invoice numbers referencing the work performed. If a service company is not used, a report of cementing methods, including the quantity of cement used, shall be supplied to the commission along with the completion report. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-156; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-106. Cementing-in surface pipe.** (a) *Surface*

(continued)



*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 20 feet below the bottom of all fresh water strata.

(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 20 feet below the base of these deposits.

(3) The operator shall set not less than 50 feet of surface pipe in any well unless the operator is otherwise excluded from this requirement or the commission grants an exception after a hearing and after receiving a favorable recommendation from the advisory committee. Drilling shall not commence until the operator has received from the conservation division notice of the amount of surface pipe or casing necessary to be set. Required depths shall be those designated in table I, which is maintained in the commission's office.

(b) *Protection of usable water.*

(1) Alternate 1. Surface pipe may be set and cemented according to the requirements shown by table I.

(2) Alternate 2. If the depths of usable water referred to in table I are greater than the amount of surface pipe set, alternate 2 shall be used. 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. The cement shall be maintained at surface level. Cementing shall be completed within 90 days of the spud date of the well.

(3) 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 50 feet below the usable water formation to the surface of the ground.

(4) When a well is drilled which becomes a producer of oil or gas, additional pipe or the production string may be cemented-in with cement to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by this migration. However, compliance with alternate 2 may also be accomplished during the producing life of a well by placing an alternative cementing material that is acceptable to the commission behind that pipe or production string in a manner prescribed by the commission or its authorized representatives.

At the time a producing well is abandoned, it shall be plugged in a manner prescribed by the commission so as to effectively prevent subsequent migration of oil, gas, or water from or into strata that would be damaged by this migration.

(c) *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 300 pounds per square inch. Further operations shall not be commenced until the cement has been in place for at least eight hours.

(d) *Affidavit.* Operators shall file an affidavit with the conservation division setting out the method of cementing used on a well on the provided form. Depths which have usable and fresh water shall be protected by recommended methods, which are on file with the state corporation commission. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-151, 55-152, 55-156, 55-157, 55-159; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-107. 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 "shot-holes" and "coreholes," shall preserve samples and all other information. These samples shall be delivered, at the prepaid expense of that person, to the Kansas geological survey, sample library, Wichita, Kansas, and, all other information to the conservation division.

(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, and cut into splits (sets). One set shall be placed in sample envelopes and 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 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 sample library shall accept all washed and cut samples whether or not they were requested.

(c) A copy of well histories, electric logs, radioactivity logs, and similar wireline logs or surveys run by operators on all boreholes, excluding seismic "shot-holes" and "coreholes," and logs run to obtain geophysical data, shall be delivered to the conservation division, within 90 days following the completion of the well. The conservation division shall deposit the information with the Kansas geological survey.

(d) Information or samples filed as required in Section (a), (b) and (c) shall be held in confidential custody by the survey for an initial period of one year from the required filing date if a written request for confidentiality is made to the conservation division at the time of filing. Samples or information may be released prior to the expiration of the one year period only upon written approval of the operator. The period of confidentiality may be extended for one additional year if a request for an extension is made at least 30 days before the expiration of the initial one year period.

(e) Exceptions to the provisions of this rule may be granted whenever the commission finds 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

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(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 an affidavit setting forth supporting facts. If the requested exception is not fully supported, the commission shall set the matter for hearing after giving notice.

(f) It shall be the duty of companies performing all wire line services within the state of Kansas to furnish each month a list of all holes serviced to the conservation division. (Authorized by and implementing K.S.A. 55-152, 55-604, 55-704; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-108. Well location.** (a) A well shall not be drilled nearer than 330 feet to any lease or unit boundary line. However, 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 an exception to this rule is desired, application shall be made to the conservation division. The application shall be accompanied by a plat drawn to the scale of one inch equalling 1,320 feet, and accurately showing the property on which the well is sought to be drilled, all other completed, drilling, or permitted wells on the property and all adjoining surrounding properties and wells.

(c) A 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 30 days notice has been given by the applicant to all offset operators and unleased mineral owners and if a protest has not been 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 months from the granting of the exception, unless drilling operations are begun 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 setting out the reasons the extension is necessary. Only one six-month extension shall be granted by the commission. If a well location exception permit expires, a renewal shall not be granted unless a new application is filed, notice given, a hearing held and proof made as in an original well location exception application.

(e) Wells drilled nearer than 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 until an exception is obtained.

(f) Whenever permission is granted to drill a well at a location other than specified by this rule, the allowable or production amount, or both, may be adjusted by the commission 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. 55-152, 55-604, 55-704; implementing K.S.A. 55-152, 55-603, 55-703a; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-109. Application for well spacing; contents.**

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

(1) The location, depth, and producing formation of the existing productive well or wells 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 and operated by the applicant, or on which the applicant has a lease or an interest in the lease;

(8) if a proration formula is sought, the specific factors proposed to be utilized in the allocation of production; and

(9) the applicant's license number.

(b) An original and five 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. (Authorized by K.S.A. 55-604, 55-704; implementing K.S.A. 55-603, 55-703a, 55-704; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-110. Penalties for violations of spacing orders.** (a) Any well drilled or being drilled in violation of an order or rule of the commission in effect at the time drilling commences shall be considered to be an unlawful location. Such a well shall be presumed to be in violation of correlative rights and to constitute waste. The commission may, upon receipt of a complaint or on its own action, issue a show cause order to determine whether the drilling of the well was necessary to protect correlative rights or prevent waste. A hearing shall be held after notice to all interested parties.

(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 to be permanently capped or plugged and abandoned in accordance with the rules of the commission, or it may permit production at a reduced rate to ensure protection of correlative rights and the prevention of waste. (Authorized by K.S.A. 55-704; implementing K.S.A. 55-703a, 55-704; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

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**82-3-111. Temporarily abandoned wells.** Whenever operations cease for a period of 90 days on any well that has been drilled, is being drilled or may hereafter be drilled in the future for the purpose of exploration, discovery or production of oil, gas or other minerals, the owner or operator of that well shall give notice of the temporary abandonment to the conservation division, on forms prescribed by the commission. If it is deemed necessary to prevent the pollution of any fresh water strata or supply, the conservation division shall cause the well to be temporarily abandoned according to its direction and in accordance with the rules and regulations of the commission. If the operations on any such temporarily abandoned well or other inactive well are not resumed within a period of one year after the notice has been given, the well shall be deemed a permanently abandoned well, and the owner or operator of the well shall comply with rules and regulations of the commission relating to the abandonment of wells. However, upon application to the conservation division prior to the expiration of the one year period, and for good cause shown, the conservation division may extend the period for one year. An additional one year extension may be granted by the conservation division in the same manner. (Authorized by and implementing K.S.A. 1982 Supp. 55-152; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-112. Shut-off test; when required.** Whenever it appears to the conservation division that any water from any well is migrating or infiltrating into oil-bearing or gas-bearing strata or that any detrimental substances are infiltrating any fresh and usable water, it may direct a shut-off test, to be made at the expense of the operator or owner of that well. The conservation division shall fix the time for the taking of the test. Reasonable notice of the test shall be given to the owner or operator.

The person legally responsible for the proper care and control of any abandoned oil or gas well from which water is migrating or infiltrating into any oil-bearing or gas-bearing strata, or from which any detrimental substances are infiltrating any fresh and usable water shall immediately plug or repair the well in accordance with the regulations of this commission and shall prevent the infiltration of oil, gas, salt water or other detrimental substances into underground fresh water strata. (Authorized by K.S.A. 55-602; implementing K.S.A. 1982 Supp. 55-157; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-113. Notice of intention to abandon well; supervision.** At least seven days before any work is commenced to abandon any well drilled for the discovery of oil or gas, or disposal of salt water, or to abandon injection wells for enhanced recovery, including any well drilled below the fresh water level, the owner or operator of the well shall notify the commission or the appropriate commission and department of health and environment district office of the intention to abandon any old producing or injection well. Exceptions from the seven day notice requirement may be granted, but the operator shall still

receive plugging orders from the appropriate commission and department of health and environment district office. Verbal or written plugging instructions shall be given to the owner or operator by a representative of the commission or the department of health and environment prior to plugging. The owner or operator shall file the written plugging reports as required by the commission. Upon granting of verbal approval, a duly authorized representative may be sent to the location specified, to be present to conduct an on site inspection. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-159; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-114. Plugging methods and procedure.** The methods and procedure for plugging a well drilled for discovery of oil or gas, disposal of salt water, or to plug injection wells for enhanced recovery shall be as follows.

(a) For productive or past productive oil or gas formations:

(1) The bottom of the well shall be filled with drilling mud to the top of each such formation. The drilling mud shall not be of less than 36 viscosity (A.P.I. full funnel method) and a weight of not less than nine pounds per gallon; or

(2) a bridge shall be placed at the top of each such formation; or

(3) a cement plug not less than 50 feet in length shall be placed above each such formation.

(b) Cement plugs of not less than 50 feet in length shall be placed both above and below any fresh or usable water horizons. The lower plug shall extend at least 50 feet below the base of the water zones and the upper plug shall extend at least 50 feet above the top of the water zones. Ratholes and mouseholes shall be plugged by displacing any mud or water with cement from the bottom of the hole near to the surface in a manner not to interfere with soil cultivation.

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

(d) When the wellbore has penetrated both the Arbuckle formation and the Wellington salt formation, a plug shall be set above the Arbuckle formation. Additionally, 50 foot plugs shall be set immediately below the base of the salt and immediately above the top of the salt.

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

(f) 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 K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-156, 55-157, 55-159; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-115. Plugging methods and procedure for**  
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seismic, core, and other stratigraphic holes. The methods and procedure for plugging seismic, core, or other exploratory holes shall be as follows: (a) The owner or operator shall notify the commission prior to the plugging of any hole. A representative of the commission may conduct an on-site inspection of the plugging operation.

(b) Any hole that penetrates a salt water formation shall be plugged so as to prevent the migration of salt waters into fresh or usable waters.

(c) The hole shall be filled with cement from a point 20 feet below the base of the Dakota or 20 feet below the base of the Cheyenne, to a point 100 feet above the Dakota formation.

(d) In all cases there shall be a bridge and cement plug of not less than 50 feet in length placed at the depth set forth as the base of the deepest usable water and of the deepest fresh water.

(e) Any hole that penetrates artesian pressure in the usable water zone shall have a cement plug of not less than 25 feet in length placed immediately above the top of the artesian water strata.

(f) 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 36 viscosity (A.P.I. full funnel method).

(g) Plugging shall include a cement plug near the surface starting at greater than 15 feet in depth and stopping at least five feet below the ground surface with the remainder of the hole to ground surface being filled with formation cuttings.

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

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

(j) Costs assessed by the commission in connection with the plugging of these holes shall be in accordance with K.A.R. 82-3-118. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-156, 55-157; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-116. 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 to properly protect all fresh and usable water formations. Within 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 the 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 these operations are conducted for their own account or are conducted under contract or agreement for the account of others. (Authorized by K.S.A. 1982 Supp. 55-152; im-

plementing K.S.A. 1982 Supp. 55-152, 55-156, 55-157; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-117. Plugging report.** Within 30 days after the plugging of any well drilled for discovery of oil or gas, or disposal of salt water, or of injection wells for enhanced recovery, the owner or operator of the well shall file a well plugging report with the conservation division setting forth the date of drilling, the location of the well, the method used in plugging the well, and all other information required by the commission. The report shall be made on a form prescribed by the commission and shall be verified by the operator. The operator shall be assessed the cost of the plugging by the conservation division. Copies of well plugging records shall be furnished to any person requesting that information upon the payment of two dollars per copy. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-158, 55-159; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-118. Costs.** The owner or operator of a plugged well shall pay a fee to the commission, as assessed, at a cost of \$.0325 cents per foot of well depth plugged. The minimum amount of any fee paid under this regulation shall be \$35.00. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-131, 55-152; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-119. 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, filling the well above any required sealing plug set below fresh water shall not be required. Written authority for such a use shall be secured from the landowner, and filed with the department of health and environment. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-156, 55-157; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-120. Operator or contractor licenses; application, contents and approval.** (a) On application to the commission upon a form prescribed and furnished by the commission, and accompanied by a fee of \$100.00 plus \$25.00 per rig and approval by the commission, a license shall be issued to applicant.

(b) The application for a license shall be verified and filed with the commission showing:

(1) the name under which the applicant transacts or intends to transact business and the correct mailing address of that business. If the applicant is a partnership or association the application shall set forth the name and address of each partner or member of the partnership or association. If the applicant is a corporation, the application shall contain the names and addresses of the principal officers;

(2) the number of rigs sought to be licensed;

(3) copies of property tax receipts on all rigs; and

(4) any other information as the forms provided may require.

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(c) The application for license shall be signed and verified by the applicant if a natural person, by a partner or a member if a partnership or association and by an executive officer, if a corporation.

(d) Upon approval of the application, the commission shall issue a license to the applicant. The license which shall be in full force and effect for one year unless suspended or revoked by the commission.

(e) Application shall be made to renew the license yearly. A \$100 fee plus \$25 per rig is required with each renewal.

(f) Upon revocation of a license, no new license shall be issued to an applicant until after the expiration of one year from the date of that revocation. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-155; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-121. Designation of an agent.** Every person, firm or corporation operating within the state shall designate an agent who will be responsible for certification of compliance with the commission's regulations concerning the drilling, completion or plugging of wells. The designation of an agent shall be set forth on the commission's forms used for licensing of operators and contractors. (Authorized by and implementing K.S.A. 1982 Supp. 55-154; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-122. Licensees; complaints; hearing.** The commission shall conduct a hearing if it finds that there is reasonable cause to believe, or upon a written complaint charging, that any licensee has: (a) failed to plug any seismic, core or exploratory hole drilled by the licensee in the manner required by the commission rules;

(b) failed to plug any abandoned oil or gas well by using the means, methods and procedure set out by the commission;

(c) failed to file with the conservation division the notice prescribed by rule 82-3-113;

(d) failed to file with the conservation division the application provided for in rule 82-3-120;

(e) willfully and intentionally made a false statement in the application affidavit or report prescribed by rules 82-3-120, 82-3-116, and 82-3-117; or

(f) willfully violated any of the rules and regulations adopted by the commission pursuant to K.S.A. chapter 55. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-152, 55-162; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-123. Well bore; commingling.** (a) Commingling of production from more than one source of supply shall be permitted if the expected total production is less than the allowable for a single common source of supply for the immediate area and after application and approval by the commission. The allowable for the deeper zone shall apply in this case. The commission may prohibit commingling if deemed advisable.

(b) The application, including the original and three copies, for commingling shall be filed with the

conservation division office and shall include the following information:

(1) a description of the well with a plat showing the location of the subject well, location of other wells on the lease, and the location of offset wells and their operator's names;

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

(3) a wireline log of the subject well; and

(4) the expected production of oil, water, gas or a combination, for each source of supply, and the estimated total production for the formations sought to be commingled; and

(5) the applicant's license number.

The application shall be supported by an 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 10 days from the date of filing. If a protest is not filed with the commission within this 10-day period, the application may be passed upon without hearing; otherwise, a hearing shall be held after due notice.

(c) A new commingling application shall be required if the operator desires to open an additional source of supply that was not included in the initial application. (Authorized by K.S.A. 55-602; implementing K.S.A. 55-603; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-124. Dual or multiply completed wells.** (a) Production from more than one common source of supply through the same well bore shall be permitted if separation of each source of supply is maintained and if commission approval has been obtained.

(b) Whenever an operator or producer desires to complete a well in more than one source of supply, an original and one copy of an application requesting approval of dual or multiple completion shall be filed with the conservation division. The application shall contain the following information:

(1) A description of the well and lease for which application is made, and a plat showing the location of the well and lease, the location of all other wells on the lease, and of all offset wells. Well depths and producing sources or supply shall be properly designated on the plat and lease ownership shall be 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;

(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

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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) a description of the proposed plan for separately measuring and accounting for the production for each source of supply; and

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

(7) the applicant's license number.

(c) The application shall be supported by an 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 10 days from the date of filing. If a protest is not filed with the commission within the 10 day period, the application may be passed upon without hearing; otherwise, a hearing, shall be held after due notice.

(d) All dual and multiple completions shall be made and operated under the direction of the commission. Packer installations made in connection with a dual or multiple completion, and removal, reinstallation, or replacement of the packer in such a well, shall not be made except upon notice to and with the approval of a representative of the commission. If one of the producing sources of supply is abandoned, the plugging of the abandoned source of supply shall be in accordance with the requirements of the commission.

(e) 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 direction of a commission representative.

(f) 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 monitoring the installation of packers, 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.

(g) 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.

(h) A dually or multiply-completed well shall not be allowed to produce during one day, more than twice its average daily allowable for the current proration period for that source of supply.

(i) Operators shall notify the commission and the operators of offset producing leases at least 24 hours before the installation of a packer.

(j) An installation charge for each dually or multiply-completed well, and a charge for any inspection of such well, shall be made to defray necessary expenses of supervision by the commission.

(k) 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 of the producing sources of supply shall immediately be sealed off under the direction of the commission.

(l) The commission may grant tentative approval for dual or multiply-completed wells based on extenuating circumstances. Final approval may be granted after proper application. (Authorized by K.S.A. 55-602; implementing K.S.A. 55-603; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-125. 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. However, the commission may prohibit surface commingling whenever this action is deemed advisable. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-126. Tank and truck identification.** (a) *Tanks.* All oil tanks, tank batteries, tanks used for salt water collection or disposal, and tanks used for sediment oil treatment or storage shall be identified by a sign posted on, or not more than 50 feet from, the tank or tank battery. The sign shall be of durable construction and shall be large enough to be legible under normal conditions at a distance of 50 feet. The sign shall identify:

- (1) the name and license number of the operator;
- (2) the name of the lease being served by the tank; and
- (3) the location of the tank by unit name, section, township, range, and county.

(b) *Trucks.* Every truck, tank wagon or other vehicle transporting crude petroleum oil, sediment oil, water or brine produced in association with the production of oil or gas shall have the name and address of the owner or lessee painted or otherwise durably marked on both sides of the vehicle. (Authorized by and implementing K.S.A. 1982 Supp. 55-153, 55-1504; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-127. Documentation required for transportation and storage.** (a) *Transportation.* (1) Every person that uses a motor vehicle to transport crude petroleum oil, sediment oil, water or brine produced in association with the production of oil or gas shall possess a run ticket or equivalent documents containing the following:

- (A) the name and address of the transporter;

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(B) the name and license number of the operator of the lease;

(C) the name of the lease or facility from which the oil was taken and the location of the tank by unit letter, section, township, range and county;

(D) the date and time that fluids were loaded for transportation and unloaded at the destination;

(E) the estimated volume of fluids, or the opening and closing tank gauges or meter readings;

(F) the signature of the driver;

(G) the name and location of the disposal, storage, processing or refining facility to which the fluid is being transported; and

(H) the name and address of the party receiving shipment.

(2) The following information shall be left at the facility from which the crude oil or sediment oil was removed:

(A) the name and address of the transporter;

(B) the date and time that fluids were loaded for transportation;

(C) the signature of the driver;

(D) the estimated volume of fluids, or the opening and closing tank gauges or meter readings.

(3) One copy of the documentation shall be carried in the vehicle during transportation and shall be produced for examination and inspection by any representative of the commission or any federal, state, county or city law enforcement officer upon identification and request.

(4) All persons who transport fluids produced in association with the production of oil or gas shall retain a record reflecting the transportation of the fluids for at least three years.

(b) All persons that store, possess or dispose of fluids produced in association with the production of oil or gas shall retain a record reflecting a complete inventory, including detail of the acceptance and disposition of the fluids, for at least three years. (Authorized by and implementing K.S.A. 1982 Supp. 55-1504; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-128. Reports and permits.** The conservation division may 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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-129. Proration orders; costs.** A charge as established by the commission shall be made for the monthly proration reports. (Authorized by K.S.A. 55-604; implementing K.S.A. 1982 Supp. 55-131, 55-609; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-130. Completion report.** Within 90 days of a well completion, regardless of how completed, an affidavit of completion shall be filed with the conservation division on forms furnished by the commission. The affidavit shall be accompanied by wireline logs of the well, if run. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-131. Vacuum pumps prohibited.** The use of vacuum pumps or other devices for the purpose of putting a vacuum on any gas or oil-bearing stratum shall be prohibited. The commission may, upon application, permit the use of vacuum pumps in fields which are nearly depleted. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-132. Re-entry notification.** Every operator shall notify the conservation division or a district office at least 48 hours prior to re-entering a well which is abandoned or plugged, or which will have new zones developed.

An agent of the commission may conduct on-site inspection of the drilling operations. A report shall be filed by the agent of the commission or, in the absence of an observing agent, by the operator, stating where cement was encountered when drilling out plugs or where perforations are placed when operating new zones. (Authorized by K.S.A. 1982 Supp. 55-152; implementing K.S.A. 1982 Supp. 55-160; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-133. Penalties for violating proration orders.** (a) The production of oil or gas in violation of the provisions of a basic proration order, or otherwise in violation of the statutes or the rules and regulations of the commission, shall be deemed unlawful and shall be presumed to violate correlative rights and to constitute waste.

(a) The commission, upon receipt of a complaint or on its own motion, may order a well to be shut in. The well shall remain shut in until the unlawful production is made up. The violating operator may make application for an exception to the order by showing that the unlawful production was necessary to protect correlative rights or to prevent waste. The commission may grant the exception after proper notice and hearing.

(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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-134 to 82-3-199. Reserved.**

**82-3-200. Prevention of waste, protection of correlative rights, and prevention of discrimination between pools.** Any person having the right to drill, complete and operate wells producing oil from any common source of supply called a "pool" may take no more than that proportion of crude oil which may be produced currently from any pool without causing waste or injury to correlative rights, and without discriminating between pools. The allowable of crude oil which any prorated well or lease may produce without violating any of the prohibitions contained in this paragraph shall be specified by the commission. In determining allowables, the commission shall take

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into consideration the statistical status of each well or lease as of the first day of the preceding proration period. The status of each well or lease shall be determined using any applicable overages and shortages for each well or lease. The provisions of this paragraph shall be construed in conjunction with rules 82-3-202 *et seq.* (Authorized by K.S.A. 55-602, 55-604; implementing K.S.A. 55-603; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-201. Underage.** Shortages or underages credited to wells which fail to make their allowables shall be carried forward upon the records of the commission and these wells shall be permitted to produce the underage in addition to their normal future allowables. However, if it should appear to the satisfaction of the commission that a proration unit is incapable of producing its allowable, the shortages accruing shall be canceled. Whenever shortages are attributable to the lack of transportation facilities, these shortages shall not be accrued for more than 60 days from the date of the initial productivity test unless the commission shall otherwise order. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-202. Productivities, methods of determining, when to be taken.** The productivity of all wells in prorated pools in this state shall be determined in accordance with the following rules.

(a) *Type of test.* Productivities shall be determined by a 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 conducted under the supervision of the commission.

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

(d) *Temporary productivity of a well.* Upon filing of an affidavit of completion, a temporary allowable for the well shall be established. This temporary productivity shall be effective for 30 days during which time an initial physical test shall be taken. In non-prorated areas, the maximum allowable shall be established according to the pool depth range (K.A.R. 82-3-203) and shall be effective upon the filing of the affidavit of completion.

(e) *Production considered.* Only pipeline oil produced during the test shall be considered in determining productivities.

(f) *Pool tests.* Pool tests shall be taken at 12 month intervals. Whenever, due to some act or omission of the operator, more than 15 months have lapsed since the last productivity test for a well in that pool, the well shall not be entitled to an allowable until tested. A well tested less than three months before the date of a scheduled pool test shall not be required to take the pool test. Operators shall be notified 10 days before the start of a pool test.

(g) *Good cause shown.* The commission may, on its own motion and 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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-203. State and pool allowable and proration.**

(a) *Oil market demand.* The commission may hold a monthly hearing to determine the amount of crude petroleum that can be produced daily throughout the state during the next succeeding proration period without causing waste. The commission shall then fix the total state allowed production and shall allocate it among the prorated pools, leases, and wells. Any crude 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 1½ times the current daily allowable assigned to a similar well, using the statewide allowable 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 for wells in the pool for a period of 18 months from the date the first discovery allowable was assigned to a well in 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 to discovery oil allowable amounts.

(1) Recognition of a newly discovered pool shall require the filing of an application and notice, a hearing before the commission, and approval by the commission. Information in support of the application shall include that required by the 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. 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 set for hearing before the commission and proper notice shall be given. If a protest is filed with the commission by an interested party within 10 days from the date the affidavit is mailed, the matter shall be set for hearing before the commission and proper notice shall be given.

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

(3) Discovery allowable shall be subject to adjustment for the gas-oil ratio provisions in any combination pool.

(4) Discovery allowables shall be subject to temporary reduction consistent with the 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, if 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) the exact location of the well (legal description);
- (2) the lease name;
- (3) the geological name of the producing formation;
- (4) the top and bottom depths of the producing formation;
- (5) the results of a state supervised production test, showing volumes of oil, gas, and water;
- (6) any other pertinent data such as bottom hole pressures and core data, which may help determine the validity of the request;
- (7) the date of the first production;
- (8) the 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 mile of the lease upon which the subject well is located, and a statement indicating the date a copy of the 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 details 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. The map shall show 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 that the producing formation in the subject well is not in communication with any other known common source of supply. The map shall cover an area with a radius of no less than 1½ miles with the subject well as the center of that area; and
- (13) a geological contour map on a geological marker that will reflect the expected altitude of the formation from which the well is producing.

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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-204. Reports by purchasers and producers.**

(a) Each purchaser or taker of any oil, including waste oil, shall, on or before the 15th day of each month succeeding the month in which the purchasing or taking occurs, file with the conservation division, on a form furnished by the commission, a verified statement of all oil purchased or taken from any well, lease or pool in this state during the preceding month.

(b) The producer or operator of each well in prorated pools including minimum wells, shall, on or before the 15th day of each month succeeding the month in which the production occurred, file with the conservation division a verified statement showing the amount of crude petroleum actually produced by each well and lease. The filing of production reports by producers shall be deemed to be necessary for the purpose of obtaining allowables. (Authorized by K.S.A. 55-604; implementing K.S.A. 55-603; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-205. Overage.** No producer shall produce more than 15 percent in excess of the net allowable established for any well or lease operated by that producer within any given proration period.

All overproduction from wells or leases which have produced in excess of their allowable for any allowable period shall be equalized by deductions from future allowables established for the wells or the leases. Whenever the commission finds that the overages charged against any well cannot be fully absorbed by that well, the overages shall be charged against the lease and shall be absorbed by deductions from the future allowables established for all the wells located on the lease, irrespective of whether any or all of the other wells are in existence at the time overage is accrued. (Authorized by and implementing K.S.A. 55-604; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-206. 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.

(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 the assessment to the conservation division 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

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interested persons. (Authorized by K.S.A. 55-604; implementing K.S.A. 1982 Supp. 55-131, 55-609; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-207. Oil drilling and production unit.** In the absence of special orders issued by the commission, the following provisions shall apply to all oil wells. (a) *Standard drilling unit.* The minimum distance for standard development on a pattern of one oil well to each 10 acres shall be 330 feet.

(b) *Acreage-attribution unit.* Any oil well drilled nearer than 330 feet to any lease or unit boundary line, shall have its attributable acreage determined by the establishment of an acreage-attribution unit. This unit's width shall be defined as being twice the distance from the well to the nearest lease or unit boundary line, whichever is closer to the well. 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 10 acres, the statewide allowable shall be reduced in the same proportion that the acreage attributable to the well bears to 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, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-208 to 82-3-299. Reserved.**

**82-3-300. Application for allowables in prorated pools; notice.** (a) No allowable shall be granted by the commission for any gas well in a prorated pool unless an application has been filed and, duly verified.

The application shall show:

(1) the exact location of the well and the acreage attributed to the well;

(2) the common source of supply in which the well is located;

(3) the name of the purchaser and, if known, the initial price to be paid for the gas at the standard pressure base of 14.65 pounds per square inch absolute;

(4) the names and address of all persons owning royalty interests in the acreage to be attributed as shown by the applicant's books and records;

(5) a plat showing the location and approximate depths of all wells and dry holes which have been drilled within one mile from the acreage to be attributed;

(6) the applicant's license number; and

(7) any other information the commission may require.

(b) The original and five 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.

(c) All applications for the granting of allowables for any gas well in a prorated pool which involves exceptions to a basic proration order shall, in addition to the above requirements, include the following:

(1) the names and addresses of all operators of producing acreage abutting or adjoining the acreage to be attributed;

(2) the names and addresses of all lessees of record

of non-producing acreage abutting or adjoining the acreage to be attributed;

(3) the names and addresses of all owners of record of the minerals in, or royalty of unleased acreage abutting or adjoining, the acreage to be attributed, and

(4) the names and addresses, insofar as shown by the applicant's books and records, of all persons owning the royalty or leasehold interests in acreage abutting or adjoining the acreage to be attributed which is operated by the applicant or on which the applicant has a lease or an interest in the lease. (Authorized by K.S.A. 55-704; implementing K.S.A. 55-705b; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-301. 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. Each purchaser shall maintain all such 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. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-302. Deliverability tests.** (a) Deliverability tests on all gas wells in prorated fields shall be conducted 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 division whether a representative is present or not.

(b) Deliverability tests may be witnessed by a representative of any producer in the field. The producers may request notification, and shall be notified, by the owner of the well on which a test is to be taken, of the time the tests will commence. (Authorized by and implementing K.S.A. 55-704; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-303. Rules of procedure for determination of open flow of a gas well.** In the absence of field rules to the contrary, the open flow capacity of a gas well shall be determined by flowing the well into a pipeline for a period of 24 to 72 hours, as required to attain stabilization through approved metering equipment. This procedure shall be known as a one point stabilized flow test. The rate of flow shall be recorded on a standard orifice meter chart, either graphically or mathematically. The rate of flow at the end of the period shall be extrapolated to atmospheric pressure by 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

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

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where:

- Q = the rate of flow, using MCF per day at 14.65 pounds per square inch absolute and 60°F;
- C = the performance coefficient of the well;
- P<sub>s</sub> = wellhead shut-in pressure, expressed in pounds per square inch absolute and using the casing or tubing pressure, whichever is higher;
- P<sub>w</sub> = static wellhead working pressure, expressed in pounds per square inch absolute, at the termination of each flow period. The casing pressure shall be used if flowing through tubing, the tubing pressure 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 shall be expressed in thousands; and
- n = a numerical exponent characteristic of the particular well, referred to as "slope."

Only one 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 72 hours plus or minus six 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 shall be 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 that accounts for the pressure due to the liquid column shall be made.

(2) If the well being tested has a pipeline connection, it shall be flowed for at least 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 an increasing flow rate sequence except in the case of high liquid ratio wells where a decreasing flow rate sequence may be used if 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, with a copy of the data taken on increasing sequence, shall be furnished to the commission.

(4) Each flow test shall extend for a maximum period of two hours. If the wellhead working pressure does not decline more than 0.1 percent of the wellhead shut-in pressure during any 15 minute period before the end of the two-hour flow period, 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 of the plotted points, the well shall be retested. If upon retest a curve cannot be drawn through at least three of the plotted points, an

average curve shall be drawn through the points of the test if 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 points of the back pressure test has a slope greater than 1.0 or less than 0.5, the well shall 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 shall be drawn down at least five percent of the well's shut-in pressure and, if possible, 25 percent of the well's shut-in pressure at the highest rate of flow. If data cannot be obtained in accordance with the foregoing provisions an explanation shall be furnished to the commission.

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

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

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

(13) When 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 paper of at least three-inch cycles.

(b) One-point stabilized flow test.

(1) An initial one-point stabilized flow test shall be made within 30 days from the date of first production of gas into a pipeline and additional tests shall be taken yearly or as ordered by the commission. Upon the completion of all flow tests, a copy of the flow calculations shall be submitted to the commission.

(2) Immediately following the taking of the shut-in wellhead pressure, the well shall be opened into the pipeline and gas shall be produced for the subsequent 24 to 72 hours at the test rate as required to reach stabilization. During this time the working pressure at the wellhead shall be maintained as nearly as possible at 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 95 percent or less than 75 percent of the wellhead shut-in pressure of the well being tested

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unless, in the judgment of the commission's representative, it is impractical to maintain the pressure within these 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 following formula. 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 wellhead 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:

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

where:

OF = Open flow, expressed in MCF/D.

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

Pa = Atmospheric pressure, expressed in pounds per square inch absolute.

Pc = Wellhead shut-in pressure of the well, expressed in pounds per square inch absolute.

Pw = Stabilized wellhead working pressure at rate R, expressed in 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 72 hours. The well shall never be shut in for less than 66 hours nor more than 78 hours at the time the shut-in pressure is taken. If the representative of the commission believes that the shut-in pressure taken upon a well is incorrect, the representative may require that the well be blown to clean fluids from the well bore, or may take any other reasonable steps that may be necessary to get a true pressure reading upon the well. If more than one 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. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-304. Tests and completion reports.** (a) All wells shall have a completion report filed with the commission within 30 days of completion on forms prescribed by the commission. Initial certified tests run in conformance with these rules shall be filed with the commission within 60 days of first gas sales. In prorated fields, all gas produced into a pipeline shall be counted against the allowables.

(b) 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. The test shall become effective the first day of the month following receipt by the conservation division. (Authorized by K.S.A. 55-704; implementing K.S.A. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-305. 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 permanent file for a period of two 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. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-306. Reports from gas purchasers.** All purchasers of gas shall file a monthly report with the conservation division on or before the 10th day of each month succeeding the month in which the purchasing or taking occurs. The form used for reporting shall be furnished by the commission. (Authorized by and implementing K.S.A. 55-704; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-307. Gas conservation assessment.** An assessment to pay the conservation division expenses, and other costs in connection with the administration of the gas conservation regulations not otherwise provided for, shall be made as follows: (a) A charge established by the commission shall be assessed on each 1,000 cubic feet of gas sold or marketed each month. The assessment shall apply only to the first purchase of gas.

(b) The first purchaser of the production, shall, before paying for the production, deduct an amount equal to the assessment for every 1,000 cubic feet of gas produced and removed from the lease each month. The purchaser shall remit the amounts deducted to the conservation division of the commission at the same time, and for the same period, as the purchaser makes regular gas payments.

(c) The remittances may be made each month in a single check, if the purchaser desires. No accounting by the purchaser shall be required except to show all deductions on the regular payment statements to producers and royalty owners or other interested parties.

(d) The assessment established by the commission shall not apply to gas that is being returned to the ground for repressuring purposes within the field, but shall apply to gas that is produced and removed from the lease and returned to the ground for storage purposes. (Authorized by K.S.A. 55-704; implementing

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K.S.A. 1982 Supp. 55-711; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-308. Production and use of sour gas.** (a) Sour gas shall not be produced in excess of the allowable when there are wells producing merchantable gas from the same common source of supply.

(b) If the commission finds, upon receipt of an application and following a hearing, that it is not commercially feasible or practicable to treat sour gas to make it merchantable, sour gas shall not be required to be used as merchantable gas. (Authorized by and implementing K.S.A. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-309. Use of gas for other than light or fuel.** Before any person engages in the utilization of gas for purposes other than light and fuel, that person shall file with the commission a verified statement setting forth the names and addresses of the person or persons who are to engage in the proposed operation, the location of the plant or plants where the proposed utilization is to be carried on, the kind and the probable volume of the gas that is to be used, the reservoir from which it is to be taken, the general type of the process, the kind and condition of the equipment that is to be used, the results as far as they can be reasonably anticipated, and any other pertinent facts as the commission may require.

When the statement has been filed, the commission may conduct a public hearing on the proposed utilization if deemed necessary. The hearing shall be held to determine whether the utilization or the use of the proposed processes and equipment will constitute waste prohibited by law. (Authorized by and implementing K.S.A. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-310. Pipeline maps.** Pipeline maps indicating the location, size, and extensions of the pipeline, and any portions abandoned or not used, shall be filed with the conservation division. (Authorized by K.S.A. 55-704; implementing K.S.A. 1982 Supp. 55-703; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-311. Drilling through gas storage formations.**

(a) Every person, firm or corporation who drills or causes to be drilled a well or test hole, for any purpose, that will penetrate into or bore through any underground stratum or formation that a natural gas public utility has appropriated through the exercise of the right of eminent domain for the underground storage of natural gas pursuant to K.S.A. 55-1204 shall seal off the natural gas storage stratum or formation by:

(1) The methods and materials recommended by the public utility and approved by the commission or its duly authorized representative; or

(2) by methods and materials that the commission determines fair, equitable and reasonable.

(b) That person, firm or corporation shall maintain the well or test hole in a manner that will protect the stratum or formation at all times against pollution and the escape of natural gas

(c) Not less than 30 days before commencing any well or test hole, or before plugging a well that has

ceased to produce, the person, firm or corporation desiring to commence drilling or plugging operations shall give the public utility and the commission notice in writing, by registered mail, of the date desired for commencement of operations.

(d) Ten days after receipt of notice, the public utility shall forward to the commission its recommendations as to the manner, methods and materials to be used in the sealing off or plugging operation. The public utility shall give notice of the recommendations by mailing or delivering a copy to the person, firm or corporation who seeks to drill or plug a well or test hole. The notice shall be mailed or delivered on or before the date the recommendations are mailed to or filed with the commission.

(e) Any objections or complaints stating why the recommendations, as proposed by the public utility, are not feasible, practical or reasonable shall be filed within five days after the recommendation is filed.

(f) In the event any objections or complaints are filed, or if the commission deems that there should be a hearing on the recommendation of the public utility, a hearing shall be held after proper notice.

(g) The commission shall prescribe the manner, methods and materials to be used in the sealing off or plugging operation. Operations shall not commence until the manner, methods and materials to be used have been prescribed by the commission.

(h) The public utility involved may have a representative present at all times during the drilling, completing or plugging of the well or test hole and shall have access to all records relating to the drilling, equipping, maintenance, operation or plugging of the well.

(i) The public utility, in conjunction with the commission or its representative and the operator of the well, shall have the right to inspect or test the well to discover any leaks or defects that may affect the underground natural gas storage stratum or formation.

(j) Any extra cost and expense necessarily incurred in sealing off the stratum or formation or in the plugging, maintaining, inspecting or testing the well, as recommended by the public utility and subsequently approved or independently determined by the commission or its representative, that is over and above the ordinary expense of operations using similar methods, shall be paid upon completion by the public utility involved.

(k) Special rules, regulations and orders shall be issued when required and shall prevail over the general rules and regulations if a conflict occurs. (Authorized by K.S.A. 1982 Supp. 55-152, 55-604; implementing K.S.A. 55-1203; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-312 to 82-3-399. Reserved.**

**82-3-400. Application, approval, place of injection or disposal, and records.** (a) Only upon application to and approval by the commission and the department of health and environment shall enhanced recovery fluid injection or disposal operations be permitted. Before any formations are approved for use, it shall be

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ascertained that they are separated from fresh and usable water formations by impervious beds to give adequate protection to the fresh and usable water formations.

(b) The commission, in passing upon applications for injection or disposal wells, shall give consideration to the determinations of the advisory committee in establishing safe depths for injection or disposal for all producing areas in the state and the protection of hydrocarbons and water resources.

(c) All injection and disposal well applications filed on and after the effective date of this rule that require wellhead pressure to inject fluids shall be required to inject the fluids through tubing under a packer set immediately above the uppermost perforation or open hole zone, except as provided in 82-3-405. The packer shall be set opposite an interval of casing protected by cement.

(d) The owner or operator of an injection or disposal well that is injecting fluid into a subsurface formation shall:

(1) keep a current and accurate record of the amount and kind of fluid injected into the well. That record shall be preserved for a period of five years; and

(2) at the end of each calendar year, submit a report to the commission showing the amount and kind of fluid injected or disposed of into each well and any other information that may be required.

(e) Emergency authority to inject or dispose of fluids at an alternate location in the event a facility is shut-in for maintenance, testing, repairs or by order of the commission may be granted by the commission. (Authorized by K.S.A. 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1982 Supp. 55-151, 55-153, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-401. Injection or disposal well; application, content, notice, objection, hearing and approval.** (a) Fluid shall not be injected into a well for enhanced recovery or disposal purposes until approved by the commission following the required application and notice. The commission may grant an exception to the above for good cause.

(b) The application shall be verified and filed in triplicate with the commission, showing:

(1) The name, location, surface elevation, total depth, and plug back depth of each injection or disposal well;

(2) the location of all oil and gas wells including abandoned wells, drilling wells and dry holes within ½ mile of the injection or disposal well;

(3) the name and address of each operator of a producing or drilling well within ½ mile of the injection or disposal well;

(4) the name, description, and depth of each injection interval. The application shall indicate whether the interval is through any perforations or an open-hole or both;

(5) the depths of the tops and bottoms of all casing and cement used or to be used in the injection or disposal well;

(6) a plat with all producing wells within a ½ mile

radius indicating producing formation and the subsea top of the producing formations;

(7) the size of the casing and tubing and the depth of the tubing packer;

(8) any information that is available in the log of the injection or disposal well including an elevation reference;

(9) a description of the fluid to be injected, the source of injected fluid, and the estimated maximum and average daily rate of injection, in barrels per day;

(10) the names and addresses of the operators shown in (b)(2) above, who were notified of the application, and evidence that the notice was given;

(11) information showing that injection or disposal into the proposed zone will be contained within the zone and will not initiate fractures through the overlying strata which could enable the fluid or formation fluid to enter fresh and usable water strata. Fracture gradients shall be computed and furnished to the commission by the applicant if requested by the commission;

(12) the applicant's license number; and

(13) any other information that the commission requires.

(c) The commission, when issuing an order approving injection or disposal, shall consider the following:

(1) maximum injection or disposal rate;

(2) maximum surface pressure;

(3) the type of injection or disposal fluid and the lithology and rock characteristics of the injection or disposal zone and the overlying strata; and

(4) the adequacy and thickness of the confining zone or zones between the injection or interval and the base of the lowest fresh or usable water.

(d) Applications may be filed to include the use of more than one injection or disposal well on the same lease or on more than one lease. The information requested of the applicant shall be provided for each well that is included in the application.

(e) Applications shall be executed by the operator of the proposed injection plan or disposal well.

(f) The applicant shall give notice of the application by mailing or delivering a copy of the application to the land owner and each operator of all producing and drilling wells within a ½ mile radius of the proposed injection or disposal well. Notice shall be mailed or delivered on or before the date the application is mailed to or filed with the commission. Notice of the application shall be published in at least one issue of a newspaper with general circulation in the county or counties in which the lands involved are located.

(g) Objections or complaints shall be filed within 15 days after the notice is published. The complaint or objection shall state the reasons why the proposed plan, as contained in the application, may cause damage to oil, gas, or fresh and usable water resources.

(h) If the application is for disposal into a formation producing within ½ mile of the applicant's well, the disposal zone shall be below the water oil contact or 50 feet below the top of the producing formation.

(i) In the event any objection or complaint is filed, or if the commission on its own motion deems that

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there should be a hearing on the application, a hearing shall be held after reasonable notice of the time, place and subject matter of the hearing has been given to the interested parties. (Authorized by K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, K.S.A. 1982 Supp. 55-152; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-402. Casing and cement.** Injection and disposal wells shall be cased and the casing cemented in such a manner that damage will not be caused to hydrocarbon sources or fresh and usable water sources. Surface casing shall be set and cemented as follows: (a) Existing wells to be converted to injection or disposal use that do not have adequate surface pipe shall be cemented between the bore hole and the casing by circulating cement to the surface from a point at least 50 feet below the base of the lowest known fresh and usable water. If cement fails to circulate to the surface, staged squeezes shall be required at upward intervals of 50 feet until circulation occurs.

(b) At the discretion of the commission, an alternate process may be performed between the casing and the bore hole at a point at least 50 feet below the base of the fresh and usable water to insure the protection of fresh and usable water sources. Cement bond logs or temperature surveys demonstrating adequate cement protection may be submitted to the commission in lieu of such additional cementing.

(c) When the injection or disposal zone lies stratigraphically above the wellington salt and when the wellbore has penetrated into or through the salt, a cement plug of at least 50 feet in length shall be placed in the bore hole or casing below the injection or disposal zone and above the salt. However, if the plug is inside the casing, the annular space between the casing and the well bore shall be protected with cement through the same interval. (Authorized by K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, K.S.A. 1982 Supp. 55-152, 55-157, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-403. Notice of commencement and discontinuance of injection or disposal operations.** (a) Immediately upon the commencement of injection or disposal operations, the applicant shall notify the commission of the date of commencement.

(b) Within 10 days after the discontinuance of injection or disposal operations, the operator of the project shall notify the commission of the date of the discontinuance and the reasons for it.

(c) Before any injection or disposal well is abandoned, the commission shall be notified, and the procedure for the plugging of the well shall be followed. (Authorized by K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, K.S.A. 1982 Supp. 55-152, 55-156, 55-157, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-404. Injection or disposal well tubing and packer requirements.** (a) After the effective date of this rule, wells shall be equipped to inject through tubing

below a packer. A packer run on the tubing shall be set in casing opposite a cemented interval at a point immediately above the uppermost perforation or open hole interval. The annulus between the tubing and the casing shall be filled with a corrosion-inhibiting fluid or hydrocarbon liquid. With the approval of the commission and the department of health and environment, packerless or tubingless completions may be authorized under the provisions of paragraph (b) or (c) of this rule.

(b) The commission may authorize injection or disposal through tubing without a packer if the following requirements are met:

(1) Surface wellhead injection pressure shall not exceed zero psig.

(2) The tubing shall be run to a depth equal to or below the uppermost perforation or open-hole of the injection interval.

(3) The annular space between the tubing and the casing shall be filled with a corrosion inhibiting fluid or hydrocarbon liquid that has a specific gravity less than 1.00, and that is displaced and maintained at a point within 50 feet of the bottom of the tubing.

(5) An annulus fluid level shall be monitored monthly during the life of the well.

(6) Annulus wellhead surface pressure and wellhead surface injection pressure shall be recorded monthly and kept by the operator for five years.

(7) All pressure readings recorded shall be taken during actual injection or disposal operations.

(c) The commission may authorize injection or disposal without tubing if all six of the following criteria are continuously met during the life of the well.

(1) The casing shall be cemented continuously from setting depth to surface.

(2) Surface injection pressure shall not exceed 500 psig.

(3) Surface wellhead injection pressure shall be recorded monthly and kept by the operator for five years.

(4) All pressure readings recorded shall be taken during actual injection or disposal operations.

(5) Mechanical integrity tests shall be performed every five years by running a retrievable plug to a depth no more than 50 feet above the uppermost perforation or open-hole of the injection or disposal zone or another method acceptable to the commission.

(6) It shall be the sole responsibility of the operator of the tubingless completion to maintain the well so that the mechanical integrity tests can be performed as specified, or the well shall be immediately plugged and abandoned by displacing cement from the bottom of the well to the surface. (Authorized by K.S.A. 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-405. Operating requirements.** (a) *Initial requirements.* (1) Each injection or disposal well shall be completed, equipped, operated, and maintained in a manner that will prevent pollution of fresh and

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usable water or damage to sources of oil or gas and that will confine fluids to the interval or intervals approved for injection or disposal.

(2) Before operating a well drilled for injection or disposal, or a well newly converted for injection or disposal, the casing outside the tubing and above the packer shall be tested under the supervision of an existing representative of the applicant. The test results shall be verified by that authorized representative, and witnessed by a representative of the commission or the department of health and environment. Wells equipped with a packer shall be tested with the packer in place. For wells not equipped with a packer, a retrievable plug shall be required to be set in place of a packer. This test shall be conducted by setting the packer or the retrievable plug inside the injection casing immediately above the uppermost perforation or open hole zone, and applying fluid pressure to 100 psi or the maximum allowable injection pressure, whichever is greater. In lieu of the above, the casing may be tested prior to perforating upon approval of the commission. The well shall be shut in for at least 30 minutes. Maintenance of the shut-in pressure during the test shall provide assurance of the integrity of the injection casing.

(b) *Mechanical integrity pressure or monitoring test requirements.* Pressure tests or monitoring shall be performed periodically on injection and disposal wells to establish the mechanical integrity of the tubing, casing, and packer.

(1) Pressure test. The annulus above the packer, or the injection casing in wells not equipped with a packer, shall be tested at least once every five years under the supervision of a representative of the operator. Test results shall be verified by the same authorized representative. A minimum of 25 percent of the tests shall be witnessed by a representative of the commission or the department of health and environment. The test shall be conducted in accordance with (a)(2) of this rule. Injection or disposal wells without tubing shall be tested in accordance with rule 82-3-404.

(2) Monitoring. In lieu of a casing pressure test required in (1) above, the operator shall once a month monitor and record during actual injection the pressure in the annulus. A report of pressures logged shall be made to the commission annually. (Authorized by K.S.A. 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-406. Duration of injection or disposal well orders.** (a) Commission orders authorizing injection or disposal into wells shall remain valid for the life of the well, unless revoked by the commission for just cause.

(b) An order granting injection or disposal may be modified, vacated, amended, or terminated by the commission during its term. Modifications or amendments of the order may be made at the request of any interested person, subject to commission approval, or on the commission's initiative. The party requesting an amendment shall give notice of the application to

amend by mailing or delivering a copy of the application to the landowner and each operator of producing and drilling wells within a ½ mile radius of the injection or disposal well. All orders shall be approved by the commission and the department of health and environment.

(c) Mechanical failures or other conditions which indicate a well is not, or may not be, directing the injected fluid into the permitted or authorized zone may be cause to shut-in the well. If the condition may endanger any fresh or usable water source or oil or gas resources, the operator shall orally notify the commission within 24 hours. Written notice of a well failure shall be submitted to the commission and to the department of health and environment within five days of the occurrence together with a plan for testing and repairing the well. Results of the testing and well repair shall be reported to the commission and the department of health and environment, and all information shall be included in the annual monitoring report to the commission. Any mechanical downhole well repair performed on the well that was not previously reported shall also be included in the annual report. (Authorized by K.S.A. 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-407. Records.** The owner or operator of an injection or disposal well shall: (a) keep current and preserve for a period of five years an accurate record of the amount and kind of fluid injected into the injection or disposal well; and

(b) submit a report to the commission at the end of each calendar year, showing the monthly average wellhead pressure, maximum wellhead pressure, amount and kind of fluid injected into each well, and any other performance information that may be required by the commission. Copies of these annual reports shall be submitted to the department of health and environment. (Authorized by and implementing K.S.A. 1982 Supp. 55-152; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-408. Transfer of authority to inject.** (a) Authority to operate an injection or disposal well shall not be transferred from one operator to another without the approval of the commission. The commission shall be notified in writing, in triplicate, of the intent to transfer the ownership of an injection or disposal well from one operator to another. The written notice shall contain the:

- (1) the name and address of the present operator and the operator's license number;
- (2) the name and location of the well being transferred;
- (3) the order number and date of the order authorizing injection;
- (4) the zone or zones of injection;
- (5) the proposed effective date of transfer;
- (6) the signature of present operator and the date signed;
- (7) the name and address of the new operator and the operator's license number; and

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(8) the signature of the new operator and the date signed.

(b) The commission shall mail a letter to the former operator and to the new operator designating approval or denial of the transfer of authority. A copy of the amended order authorizing the injection or disposal shall be attached to the letter mailed to the new operator. The commission or the department of health and environment may require the former operator to conduct a mechanical integrity test as a condition of the transfer. (Authorized by K.S.A. 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, 65-171d, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-409. Authorization for existing injection or disposal wells.** Each injection or disposal well authorized by order of the commission on the effective date of this rule shall be an existing injection or disposal well. Injection or disposal shall be prohibited in any existing well unless the operator has filed within one year of the effective date of this rule an inventory of existing injection wells on a form prescribed by the commission. This form shall include each well name, location, authorizing commission order number, date of the order (including all orders authorizing exceptions), maximum authorized injection rate, and maximum authorized surface injection pressure. (Authorized by K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 55-1003, K.S.A. 1982 Supp. 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-410. Assessment of costs.** The applicant shall, within 30 days after notice by the commission, pay a charge as established by the commission for each lease involved in the injection or disposal application. (Authorized by K.S.A. 1982 Supp. 55-152, 55-901; implementing K.S.A. 1982 Supp. 55-131, 55-152, 55-901; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-411 to 82-3-499. Reserved.**

**82-3-500. Definitions.** Any special words, terms or phrases in this article are used as defined in the *Natural Gas Policy Act of 1978*, Public Law 95-621, applicable federal energy regulatory commission rules and regulations as found in the *Federal Register*, Vol. 43, No. 232, Part VIII, P. 56448—P. 56636, December 1, 1978, or applicable rules and regulations of the state corporation commission of the state of Kansas as found in K.A.R. 82-3-101. (Authorized by and implementing K.S.A. 66-1,185; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-501. 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. The original and two copies of this application shall be filed with the conservation division. Each application shall be completed in conformance with the commission's rules and regulations before the application will be

considered. 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 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. (Authorized by and implementing K.S.A. 66-1,185; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-502. Notice; protest; hearing; administrative grant.** (a) The commission shall set the time and place for hearings on applications for natural gas well classification determinations under the *Natural Gas Policy Act of 1978*, Public Law 95-621. If commission staff determines that the application is complete, has been filed as provided in K.A.R. 82-3-501 and should be granted administratively, the applicant shall be advised accordingly. The applicant shall give notice, by publication to all interested parties, that the matter is intended to be granted administratively unless a written protest is filed and received within 10 days after the publication notice. In the event no protest is filed, the application shall be granted without further appearance or hearing.

(b) If the staff recommends that an application not be granted administratively, a hearing shall be held. The applicant shall give notice by publication no less than 10 days before the hearing to all interested parties.

(c) The notice required in (a) and (b) shall be given by publication in one or more newspapers that have a general circulation in this state, and by mailing a copy of the notice to the purchaser of the applicant's gas. The notice shall state the time and place of hearing and contain any other information needed to briefly and adequately disclose the matter to be considered.

(d) Proof of publication of notice shall be furnished to the commission on or before the hearing date, or if no hearing is required, upon receipt of the notice from the publisher. The notice shall specify that, if a timely protest is filed, the hearing will be held at the next regularly scheduled hearings of NGPA matters that occurs at least 10 days subsequent to the filing of protest. In that event, protestants shall be notified immediately in writing of the time and place of the hearing. Notice provisions contained in this regulation pertain only to notice to be given for hearing dates or of intent to grant administratively, applications for natural gas well classification determinations made under the *Natural Gas Policy Act of 1978*, Public Law 95-621. (Authorized by and implementing K.S.A. 66-1,185; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-503. Assessment.** Every application filed with the state corporation commission for a natural gas well classification determination under the *Natural Gas Policy Act of 1978*, Public Law 95-621 shall be accompanied by a fee of \$100.00. No classification determination shall be made until the fee is received

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by the commission. All fees collected under this regulation shall be credited to a special fund for the use of the state corporation commission in administering the duties imposed upon it by the *Natural Gas Policy Act of 1978*, Public Law 95-621. (Authorized by and implementing K.S.A. 66-1,185; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

**82-3-504. Notice of determination.** Within 15 days after making a determination as to the classification of a natural gas well, the commission shall give written notice of the determination. Notice shall be given to the federal energy regulatory commission in accordance with federal energy regulatory commission rules and regulations as found in the *Federal Register*, Vol. 43, No. 232, Part VIII, P. 56648—P. 56636, December 1, 1978. (Authorized by and implementing K.S.A. 66-1,185; effective, T-83-44, Dec. 8, 1982; effective May 1, 1983.)

#### Article 4.—MOTOR CARRIERS OF PERSONS AND PROPERTY

##### MOTOR CARRIERS

**82-4-1. Definitions.** The following terms used in connection with the regulations of the state corporation commission governing motor carriers shall be considered and defined as follows:

(a) The term "motor carrier" refers to any corporation, partnership or individual subject to the provisions of the motor carrier law of Kansas and under the jurisdiction of the state corporation commission of the state of Kansas.

(b) The term "certificate" refers to a document evidencing a certificate of convenience and necessity issued to intrastate common carriers to operate motor vehicles as common carriers.

(c) The term "permit" refers to the document evidencing authority of a motor carrier to operate motor vehicles as a contract or private carrier.

(d) The term "license" refers to the document evidencing the registration of an interstate or interstate exempt motor carrier to operate motor vehicles in the state of Kansas as an interstate common or contract motor carrier.

(e) The term "on-duty time" means all time from the time a driver begins to work or is required to be in readiness to work until the time the driver is relieved from work and all responsibility for performing work. The term "on-duty" shall include:

(1) All time at a carrier or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the motor carrier;

(2) all time spent in inspecting equipment, emergency equipment, and servicing or conditioning any motor vehicle at any time;

(3) all driving time as defined in paragraph (f) of this section;

(4) all time, other than driving time, in or upon any motor vehicle except time spent resting in a sleeper berth as defined in paragraph (l) of this section;

(5) all time loading or unloading a vehicle; super-

vising, or assisting in the loading or unloading; attending a vehicle being loaded or unloaded; remaining in readiness to operate the vehicle; or in giving or receiving receipts for shipments loaded or unloaded;

(6) all time spent performing the driver requirements relating to accidents;

(7) all time repairing, obtaining assistance with or for, or attending a disabled vehicle; and

(8) performing any other work in the capacity of, or in the employ or service of, a common, contract or private motor carrier.

In the case of specially trained drivers of specially constructed oil well servicing vehicles, on-duty time shall not include waiting time at natural gas or oil well sites. However, all such time shall be fully and accurately accounted for in records to be maintained by the motor carrier. Such records shall be made available upon request of any inspector designated by this commission or any other law enforcement officer authorized by this commission to enforce its regulations.

(f) The terms "drive," "driving" and "driving time" shall include all time spent at the driving controls of a motor vehicle in operation. All stops made in any village, town, or city, may be computed as one stop.

(g) The term "seven consecutive days" means the period of seven consecutive days beginning at 12:01 a.m. on any day.

(h) The term "eight consecutive days" means the period of eight consecutive days beginning at 12:01 a.m. on any one day.

(i) The term "24 consecutive hours" means a period starting at the time the driver reports for duty as defined in paragraph (e) of this section.

(j) For drivers preparing logs on a noon-to-noon basis, the term "seven or eight consecutive days" means the period of time beginning at 12:01 p.m., on any day.

(k) The term "regularly employed driver" means a driver who in any period of seven consecutive days is employed or used as a driver by a single motor carrier.

(l) The term "sleeper berth" means a berth conforming to the motor carrier safety regulations issued by the United States department of transportation, federal highway administration.

(m) The term "driver-salesperson" means an employee who:

(1) is employed solely by a private motor carrier of property;

(2) is engaged both in selling goods, services, or the use of goods, and in delivering by motor vehicle the goods sold or provided, or with which the services are performed;

(3) operates entirely within a radius of 100 miles of the point at which the driver-salesperson reports for duty; and

(4) devotes not more than 50 percent of his or her hours on duty to driving time.

(n) The term "selling goods" means solicitation or obtaining of reorders or new accounts. "Selling goods" may also include other selling or merchandising activities designed to retain the customer or to

(continued)



increase the sale of goods or services, in addition to solicitation or obtaining of reorders or new accounts.

(o) The term "tariff publication" means the rates, charges, classification, ratings, or rules and regulations published by, for or on behalf of common or contract motor carriers of property or passengers.

(p) The term "distance" means air line distances. Distances shall be computed from the corporate limits of incorporated municipalities and from the post office of unincorporated communities. If there is no post office in the unincorporated community, the distance shall be computed from the center of the business district.

(q) The term "population" means the population as reported by the last decennial census.

(r) The term "express carrier" means a public motor carrier of property who carries shipments the maximum weight of which does not exceed 350 pounds for one (1) package or parcel.

(s) The term "KCC" means the state corporation commission of Kansas.

(t) The term "driveaway operation" or "towaway operation" means an operation in which any vehicle or vehicles, operated singly or in lawful combinations, new or used, not owned by the transporting motor carrier, constitute the commodity being transported.

(u) The term "driver" means a motor vehicle operator.

(v) The term "organization" means a legal entity which administers an agreement approved under K.A.R. 82-4-69.

(w) The term "single line rate" means a rate, charge, or allowance established by a single common or contract motor carrier of property or passengers that is applicable only over its line and for which the transportation can be provided by that carrier.

(x) The term "joint line rate" means a rate, charge, or allowance established by two or more common motor carriers of property or passengers that is applicable over their lines and for which the transportation can be provided by these carriers.

(y) The term "docketing" means entering the proposal in the organization files and then giving notice of the proposal to other carrier members of the organization and shipper subscribers.

(z) The terms "general increase or decrease" means a common or contract motor carrier rate increase or decrease proposed as a general adjustment of substantially all the rates published in a tariff.

(aa) The term "notice" means advance notification to shipper subscribers through the organization's docket service.

(bb) The term "affiliate" means a person or company controlling, controlled by, or under common control or ownership with, another person or company.

(cc) The term "ownership" means an equity holding in a business entity of at least 5%.

(dd) The term "industry average carrier cost information" means the average intrastate cost of the carriers who participate in an organization tariff and who have authority from the commission to transport the commodities indicated in the organization tariff.

(Authorized by and implementing K.S.A. 66-1,112a, K.S.A. 1982 Supp. 66-1,112, 66-1,112g; effective Jan. 1, 1971; modified, 1981 HCR No. 5020, May 1, 1981; amended, T-83-45, Dec. 8, 1982; amended May 1, 1983.)

**82-4-7b. Drivers exempt from daily log requirement.** (a) The requirements stated in K.A.R. 82-4-7a shall not apply to the following drivers:

(1) Drivers used only to drive motor vehicles whose registered gross weight does not exceed 12,000 pounds. This exemption shall not apply if the vehicle is used to transport passengers, or explosives, or dangerous articles of the type and in quantities that require the vehicle to be specifically marked or placarded under the hazardous materials regulations, or when operated without cargo under conditions which require the vehicle to be marked or placarded under the hazardous materials regulations;

(2) a regularly employed driver for an intrastate common or contract carrier who drives exclusively within a radius of three miles of the city limits in which the garage or terminal to which the driver reports for work is located;

(3) a regularly employed driver for a Kansas based private carrier who drives exclusively within a radius of 25 miles of the city limits in which the garage or terminal to which the driver reports for work is located; or

(4) a driver, except a driver-salesperson, who operates exclusively within a 100 mile radius of the work reporting location more than one time in any seven consecutive day period; and who returns to the work reporting location within 12 hours. At least eight consecutive hours off-duty shall separate each 12 hours on duty.

(b) The motor carrier which employs a driver who meets the requirements of section (a) of this regulation shall maintain accurate and true records showing:

(1) the total number of hours the driver is on duty each day;

(2) the time the driver reports for duty each day;

(3) the time the driver is released from duty each day; and

(4) the total on-duty time for the preceding seven days in accordance with K.A.R. 82-4-1(e) for drivers used for the first time or intermittently. (Authorized by and implementing K.S.A. 66-1,129; modified, 1981 HCR No. 5020, May 1, 1981; amended May 1, 1983.)

#### INSURANCE

**82-4-22. Insurance requirements.** (a) Before a certificate, permit, or license is issued to a public motor carrier of property or passengers, a contract motor carrier of property or passengers, or a private motor carrier of property, the applicant shall file and keep in force with the state corporation commission of Kansas a public liability and property damage insurance policy, or a certified copy of such a policy, issued by an insurance company or association meeting the requirements of K.S.A. 66-1,128. The insurance shall bind the obligors to pay compensation for injuries or death to persons, except injury to the insured's em-

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ployees while engaged in the course of their employment, and loss of, or damage to, property of others (not including property usually designated as cargo) resulting from the negligent operation of the carrier. The liability insurance policy shall have attached to it an endorsement as set out in K.A.R. 82-4-25a. The carriers shall file insurance in kind and in amounts not less than those set out in K.S.A. 66-1,128. In special cases, and for good cause shown, the carriers may be required by order of the commission to file insurance in additional amounts.

(b) Public motor carriers of property and contract carrier of property that conduct intrastate business shall file and keep in force with the state corporation commission a cargo insurance policy or a certified copy of a policy, by a company authorized to write coverage in the state of Kansas, in a minimum amount of \$3,000. The cargo insurance policy shall have attached to it an endorsement as set out in K.A.R. 82-4-25a.

(c) A certificate of an insurance company or association meeting the requirements of K.S.A. 66-1,128, on a form approved by the state corporation commission and certifying that there is in effect the proper insurance required, may be filed in lieu of the insurance policy itself.

(d) Before the expiration date or cancellation date of an insurance policy filed in compliance with the law, and the regulations of the commission, the motor carrier shall file with the commission a new policy for the vehicle, or the vehicle shall immediately be withdrawn from service and notification of the action shall be given the commission.

(e) Operation by a motor carrier without strict compliance with this regulation shall suspend the certificate, permit or license issued to the carrier and the commission shall proceed to cancel the certificate, permit or license. (Authorized by K.S.A. 66-1,112a, K.S.A. 1982 Supp. 66-1,112, 66-1,112g; implementing K.S.A. 1982 Supp. 66-1,128; effective Jan. 1, 1971; modified, 1981 HCR No. 5020, May 1, 1981; amended May 1, 1983.)

#### APPLICATIONS AND OTHER GENERAL PROVISIONS

**82-4-27a. Applications for transfer of certificates of convenience and necessity and permits.** A certificate of public convenience and necessity issued to common motor carriers under the provisions of K.S.A. 66-1,114, and permits issued to contract carriers under K.S.A. 66-1,112a, shall not be assigned or transferred without the consent of the commission. The commission may reasonably alter, restrict or modify the terms and provisions of any certificate or impose restrictions on any transfers when the public interest may be best served. (a) Applications for approval by the commission of the transfer of the common carrier certificate shall be completed and filed in duplicate on forms prescribed by the commission and shall contain the following information:

- (1) name and address of the present owner of the certificate;
- (2) name and address of the purchaser or transferee.

(A) If the transferee is a corporation, the application shall designate the state in which the charter was issued and the name and address of all officers.

(B) If the transferee is an individual, firm or association, the application shall indicate the names and addresses of all parties owning an interest in the motor freight line of the organization and the percentage each owns; and

(3) a financial statement showing in detail the financial ability and responsibility of the transferee.

(b) A certified or sworn contract entered into by the parties shall be filed as an exhibit with the application, shall set out in full the agreement between the parties and shall detail all transferred items including equipment, property, good will, assumption of debt, covenants not to compete and any other items relevant to the financial stability of the parties.

(c) A sworn statement by the transferee shall be filed with the application specifying the amount the transferee borrowed or otherwise obtained from some other person to make the purchase of the items detailed in subsection (b) and specifying all details regarding the transactions.

(d) A complete list of the names and addresses of the transferor's creditors, if any, the amount owed, and why it is owed shall be filed with the application.

(e) A complete territorial description of the authority sought to be transferred in the form required by K.A.R. 82-4-27(e) shall be filed with the application.

(f) A signed affidavit setting out the territory where service has been performed during the past year shall be filed with the application.

(g) A sworn statement from the transferee that the books and records of the transferor will be in the transferee's possession upon conclusion of the transfer shall also be filed with the application. The transferee shall accept all responsibility for the books and records, and have them available at any time for inspection by the state corporation commission or its employees.

(h) In the event the transferee of the certificate presently owns a certificate covering all or a part of the route authorized in the transferred certificate, the transferee shall file a request with the commission to consolidate the transfer so as to eliminate the duplication of operating rights. The request shall point out in detail which part of the duplicated authority is to be eliminated. (Authorized by K.S.A. 66-1,117, K.S.A. 1982 Supp. 66-1,112; implementing K.S.A. 66-1,112a, 66-1,117, 66-1,118; modified, 1981 HCR No. 5020, May 1, 1981; amended May 1, 1983.)

**82-4-27b. Application for temporary operating authority.** (a) Application for temporary authority to operate as a common or contract motor carrier shall be considered by the commission when:

(1) Formal application for permanent authority has been filed with the commission; and

(2) written application for temporary authority has been filed with the commission. The application for temporary authority shall include the following:

(A) The name, principal office or place of business, and the residence of the applicant;

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- (B) a complete financial statement;
- (C) a description of the commodities which the applicant intends to transport;
- (D) a description of the territory proposed to be served;
- (E) a tariff schedule;
- (F) proof of sufficient liability and cargo insurance, as required by K.A.R. 84-4-21 through 84-4-25a;
- (G) name and mailing address of a resident agent, if applicant is a non-resident; and
- (H) a copy of the articles of incorporation or partnership agreement, if applicable to applicant's business.

(b) Upon receipt of the application for temporary authority, the commission shall set the date, time and place of hearing on the application.

(c) The rules of procedure at the hearing shall be those which govern all proceedings before the commission as stated in rules of practice and procedures of the commission.

(d) In order to be granted temporary authority, the applicant shall make a satisfactory showing that an immediate and urgent transportation need constituting an emergency exists and that there is no carrier within the territory requested capable of meeting that immediate need. The showing shall be demonstrated by sworn testimony of a person or persons other than the applicant.

(e) A written order either granting or denying temporary authority shall be issued and served upon the applicant as soon as practicable after the hearing. At the request of the applicant, the commission may issue a letter or telegraphic wire authorizing the commencement of the operation approved. No application for temporary authority shall be granted until after a hearing and until applicant has filed with the commission all of the information required under subsection 2 of this regulation.

(f) The order granting temporary authority shall specify the length of time for which the authority is valid, subject to any extension or renewal which the commission may authorize. Temporary authority shall not exceed the date on which an order granting or denying permanent authority becomes final. (Authorized by K.S.A. 1982 Supp. 66-1,112; implementing K.S.A. 66-1,117, K.S.A. 1982 Supp. 66-1,112, 66-1,114; effective May 1, 1983.)

**82-4-28b. Consolidation of motor carrier certificate.** In the event any motor carrier holds more than one certificate, it may apply to the commission for consolidation of its common carrier authority into one certificate. The application shall include a description of the territory served in the form required by K.A.R. 82-4-27, and shall describe the territory both before and after consolidation. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective May 1, 1983.)

**82-4-29a. Application for authorization of joint registration of equipment.** (a) Applications for authorization of joint registration of equipment shall be filed in duplicate, and shall contain the following information:

- (1) The full and accurate names and addresses of the applicants;
- (2) the route and docket numbers under which authority for joint registration of equipment is sought;
- (3) the financial condition of the applicants; and
- (4) a certified or sworn statement by the applicants indicating that:

(A) Applicants will jointly be in compliance with the state laws and rules and regulations of the commission;

(B) equipment utilized by the applicants will be properly marked and identified to reflect the authority under which the equipment is being jointly operated;

(C) applicants presently have registered and are operating units of motor carrier equipment pursuant to the operating authority issued by the commission;

(D) applicants will provide a list of the names of other carriers with whom they currently have joint registration issued by the commission; and

(E) applicants will provide a list of the equipment to be registered under the joint application.

(b) Applicants shall assume the burden of proving that the approval of the application will be in the public interest. (Authorized by K.S.A. 1982 Supp. 66-1,112; implementing K.S.A. 1982 Supp. 66-1,112, 66-1,139; effective May 1, 1983.)

#### RULES APPLICABLE ONLY TO PUBLIC CARRIERS

**82-4-48. Bills of lading, way and freight bills.** (a) Common and contract motor carriers of property shall issue a bill of lading for all property transported. The bill of lading shall indicate the name of the carrier, the date and place of shipment, the name of the consignor, the name of the consignee, the destination of the shipment, a description of the shipment and the weight or volume. Carriers having a released value clause as prescribed in K.S.A. 84-7-309 and published in their approved tariff shall indicate so on the bill of lading.

(b) Common and contract motor carriers of property shall issue a way bill or a freight bill, showing the required bill of lading information, as indicated in (a) of this regulation. The way bill or freight bill shall be furnished to the party obligated to pay the freight charge and shall state the rate and charges.

(c) Bills of lading, way bills and freight bills may be included on one form.

(d) All transporters of crude petroleum oil, sediment oil, water or brine shall require their drivers to possess a run ticket or equivalent documents as specified in K.A.R. 82-3-127.

(e) The documents required in subsection (c) shall be produced by the driver for examination and inspection by any representative of the commission, state highway patrol, or any other law enforcement officer upon identification and request.

(f) The bill of lading, way bill, freight bill, run ticket or equivalent documents as specified in K.A.R. 82-3-127 shall be retained by the transporter for at least three years from the date of shipment. (Authorized by K.S.A. 1982 Supp. 66-1,112; implementing K.S.A. 66-

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1,112a, K.S.A. 1982 Supp. 55-1504, 66-1,112; effective Jan. 1, 1971; amended May 1, 1981; amended, T-83-45, Dec. 8, 1982; amended May 1, 1983.)

**82-4-52.** (Authorized by K.S.A. 66-1,112, 66-1,112a, 66-1,112f; implementing K.S.A. 66-1,112f; effective Jan. 1, 1971; amended May 1, 1981; revoked May 1, 1983.)

**RULES APPLICABLE ONLY  
TO CONTRACT CARRIERS**

**82-4-61.** (Authorized by K.S.A. 66-1,112a; implementing K.S.A. 66-1,112e, 66-1,112f; effective Jan. 1, 1971; modified, 1981 HCR No. 5020, May 1, 1981; revoked May 1, 1983.)

**RULES APPLICABLE TO COMMON  
CARRIERS AND CONTRACT CARRIERS**

**82-4-66.** Intrastate carriers serving specified incorporated or specified unincorporated municipalities. A certificate issued to any intrastate general commodity carrier of property that operates intrastate in Kansas, and that is authorized to serve at a specified municipality, shall authorize service within the limits of that municipality and at the points, places and areas, indicated in (a) and (b) of this regulation. The certificate shall not authorize service beyond the territorial limits, if any, fixed in the certificate. (a) Operating authority to serve a specified incorporated municipality shall also authorize service to all areas within eight miles of the corporate limits of the specified municipality.

(b) Operating authority to serve a specified unincorporated community shall also authorize services to all places within eight miles of the post office of the same name in the unincorporated community. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective Jan. 1, 1971; amended May 1, 1981; amended May 1, 1983.)

**COLLECTIVE RATES**

**82-4-68.** Collective rate making agreements. (a) Motor carriers of property and passengers may enter into an agreement with one or more such carriers concerning rates, allowances, classifications, divisions or rules related to them or procedures for joint consideration, initiation or establishment of them. The agreement and all amendments shall be submitted to the commission for approval by the carriers which are parties to the agreement and shall be approved by the commission upon a finding that the agreement fulfills the requirements of K.S.A. 1982 Supp. 66-1,112 and the rules and regulations of the commission. The agreement shall be administered by an organization designated by the carriers who are parties to the agreement.

(b) The agreement shall contain, as a minimum, provisions for:

- (1) Election of rate committees and procedures for appointments to fill vacancies;
- (2) initiation of rate proposals;
- (3) record keeping;
- (4) tariff participation fees for services;
- (5) open meetings;

- (6) quorum standards;
- (7) proxy voting by members;
- (8) role of employees in docketing proposals;
- (9) notice of docket proposals and rate committee hearings;
- (10) voting on rate proposals by member carriers;
- (11) right of independent action;
- (12) docketing of independent action;
- (13) the names, addresses and telephone numbers of carriers who are parties to the agreement;
- (14) the names and addresses of each of its affiliates, of officers and directors of the carriers who are parties to the agreement;
- (15) the carriers motor carrier identification number (route number) assigned by the commission;
- (16) the name, address and telephone number of the organization which will administer the agreement;
- (17) final disposition of cases docketed;
- (18) prohibitions of the administering organization from protesting carrier proposals;
- (19) amendments to the agreement; and
- (20) provision for power of attorney. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-69.** Applications for approval of collective rate making agreements. (a) The carriers' party to the agreement shall submit an application to the commission, and attach a copy of the administering organization's articles of incorporation, bylaws or other documents, specifying the powers, duties and procedures of the organization. The administering organization for the carriers shall provide the commission with an organization chart, a complete description of the organization, including any sub-units, and their functions and methods of operations, together with the territorial scope of its operation.

(b) The application and supporting documents shall specify:

(1) The full and correct name and business address of the carriers who seek approval of the agreement, whether carrier applicants are corporations, individuals or partnerships. If a corporation, the laws under which it was organized shall be included. If a partnership, the names and addresses of all partners and the date of formation of partnerships shall be included;

(2) the motor carrier identification number (route number) assigned by the commission to each participating applicant;

(3) the name and business address of the organization which will administer the agreement;

(4) the facts and circumstances relied upon to establish the agreement is in the public interest;

(5) the name, title and business address of counsel, officers, or other person to whom correspondence and notice is to be addressed;

(6) a true copy of the agreement, and an opinion of a counsel for the applicant that the application meets the requirements of K.S.A. 1982 Supp. 66-1,112 and commission regulations; and

(7) a prepared public notice to be published in the *Kansas Register* stating the fact that an application has

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been filed under these rules, and the date of the hearing, if required by the commission. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-70. Record keeping responsibilities.** The organization shall maintain records and minutes of all acts pertaining to joint consideration, initiation and establishment of tariff publications and shall submit written reports to the commission on these activities as the commission from time to time may require. Minutes and voting records shall be made available to the commission upon written request. Minutes, voting records and a complete file of all tariffs issued under the agreement shall be maintained by the organization for at least three years. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-71. Charges for services.** The organization shall, in the agreement, provide the commission with a basic schedule of its tariff participation fees applicable to parties to the agreement. If expenses are divided among parties to the agreement, the organization shall provide a statement showing how the expenses are divided. The organization shall also provide the commission with any amendments to the basic charges. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-72. Open meetings.** (a) An organization shall admit any person to any meeting at which rates or rules will be discussed or voted upon.

(b) Upon written request, the organization shall divulge to any person the name of the proponent of a rule or rate docketed with it, and shall divulge to any person the vote by any member carrier on any proposal before the organization. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-73. Quorum standard.** (a) At any meeting of carriers party to the agreement or carrier committees at which rates, rules or classifications are discussed or considered, 30 percent of the carriers party to the agreement or 50 percent of the committee shall constitute a quorum. The quorum requirement shall apply to any meeting when discussion includes general rate increases and decreases, tariff restructuring, commodity classification, or rules and classifications changes proposed for tariff publication. Carrier members present by means of a proxy shall count towards the satisfaction of the quorum requirement. There shall be no voting unless at least one member carrier is present and possesses the authority for a lawful vote.

(b) Exceptions to the quorum standard may be granted upon a showing to the commission of genuine hardship. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-74. Voting on rate proposals.** The organization shall allow any participating member carrier to

discuss any rate proposal docketed. Only those carriers with authority to participate in the transportation to which the rate proposal applies shall vote upon the rate proposal. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-75. Proxy voting.** (a) The organization shall not allow a carrier to vote for one or more other carriers without specific written authority from the carrier being represented.

(b) While any member carrier may discuss any collectively established rate proposals docketed, only carriers with authority to participate in the transportation to which the proposed rates apply shall vote on the rates.

(c) To vote for an absentee, a carrier shall possess a written proxy containing the grantor or grantors signature, the specific items or items for which the vote is released, directions on voting, and certification of authority. A written affirmation shall be made by each carrier for itself and by each grantor of a proxy.

(d) The organization shall provide standard proxy forms to members, and a copy of all proxies exercised and the written certification of authority executed by the proxy holder for the grantor shall be made part of the voting record. There is no limit to the number of proxies a carrier may hold. A proxy may be revoked at any time by a subsequent written revocation or by the carrier appearing at the meeting and voting on its own behalf. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-76. Notification and consideration of rate proposals.** General rate increases or decreases, joint rates, changes in commodity classification, changes in tariff structures and publishing of tariffs may be discussed and voted on at any meeting only if: (a) Shippers receive detailed notice of meetings and agenda, through docket service, at least 15 days prior to the time a proposal is to be discussed or voted upon;

(b) shippers are accorded the opportunity to present either oral or written comments for consideration at the meeting;

(c) shippers' comments are given appropriate weight and consideration in discussion and voting upon the proposals;

(d) discussion of general rate increase or decrease is limited to industry average carrier cost information;

(e) any person attending those meetings is permitted to take notes and make sound recordings; and

(f) the organization maintains detailed minutes of all meetings. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-77. Right of independent action.** (a) The organization shall not interfere with each carrier's right to independent action. The organization shall not change or cancel any rate established by independent action other than a general increase or broad rate restructuring. However, changes in the rates may be effected, with the written consent of the carrier or

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carriers that initiated the independent action, for the purpose of tariff simplification, removal of discrimination, or elimination of obsolete items.

(b) Collective adjustments as authorized in K.S.A. 1982 Supp. 66-1,112 shall not cancel rate or rule differentials or differences in rates or rules existing as a result of any independent action taken previously, unless the proponent and any other participant in that independent action desires to eliminate the rate differential or application and notifies the organization in writing of its consent.

(c) Independent action means any action taken by a common or contract carrier member of an organization to:

(1) Establish a rate to be published in the appropriate rate tariff, or to cancel a rate for that carrier's account;

(2) instruct the organization publishing the rate tariff that an existing rate (whether established by independent action or collective action), that is proposed to be changed or cancelled be retained for that carrier's account and published in the appropriate tariff; or

(3) have published for its account, in the appropriate tariff, a rate established by the independent action of another carrier. This definition shall apply regardless of the manner in which the carrier joins in the rate, as long as the rate published for the joining carrier's account is the same as the rate established by the other carrier under independent action. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-78. Docketing of independent action.** (a) Proponents of independent actions shall have the absolute right to decide whether or when organizations will docket these actions.

(b) The organization shall comply with the instructions of the proponent of an independent action with regard to whether or not the action should be docketed, and in the absence of explicit instructions shall refrain from docketing until the proposal has been filed with the commission.

(c) There shall be no collective discussion of independent actions as defined in K.A.R. 82-4-77 until they have been filed with the commission. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-79. Organization employee limitations.** (a) Employees and employee committees of the organization shall not initiate a proposal nor determine whether to adopt, reject, or otherwise dispose of a proposal effecting a change in any tariff item published by or for the account of any member carrier.

(b) Employees and employee committees may provide expert analysis and technical assistance to any member carriers or shippers in developing or evaluating a carrier or shipper initiated rate or rule proposal.

(c) Any advice concerning an independent action as defined in K.A.R. 82-4-77 proposal shall remain confidential. (Authorized by and implementing K.S.A.

1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-80. Final disposition of dockets.** The organization shall make a final disposition of a rule or rate docketed with it by the 120th day after the proposal is docketed. However, if unusual circumstances require, the organization may extend that period, subject to review by the commission. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-81. Organization protest.** The organization shall not file a protest or complaint with the commission against any tariff item published by or for the account of any motor carrier of property or passengers. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-82. Burden of proof of violations and effects of violations.** In any proceeding in which a party alleges that a carrier voted, discussed, or agreed on a rate or allowance in violation of collective ratemaking regulations of the commission, that party shall have the burden of showing that the vote, discussion, or agreement occurred. A showing of parallel behavior shall not satisfy that burden by itself. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-83. Commission review of collective rate making agreements.** The commission shall review each collective rate making agreement approved under these rules at least once every three years to determine whether the agreement or an organization established or continued under an approved agreement still complies with the requirements of the statutes and applicable rules. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-84. Revoking collective rate making agreements.** Upon proper notice and hearing, and a finding that the collective rate making procedures are not being followed, the commission may revoke its approval or order corrections to the activities and procedures of persons, groups, agencies, bureaus and other entities engaging in collective rate making before the commission. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

**82-4-85. Rate applications filed by members carriers party to a collective rate making agreement.** (a) Carriers party to a collective rate making agreement, who file an application which proposes a general increase or decrease in rates shall accompany the application with schedules which will indicate to the commission the nature and extent of the proposed changes to be effected.

(b) Applications shall be based upon data submitted for a test year. The commission may disapprove, for good cause, the test year selected by the applicant. The original and nine copies of the application and

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schedules shall be filed with the commission. Each application and schedule shall be bound together under one looseleaf binder. If the bulk of such material would make such handling impractical, two or more volumes in looseleaf form shall be filed. The size of print used in the application and schedules shall be clearly legible. Negative numbers shall be shown in parentheses. Amounts included in the application shall be cross-referenced between the appropriate summary schedule and supporting schedules as well as between the various sections. Referencing shall include allocation ratios, when appropriate. All items shall be self-explanatory. Additional information, cross references or explanatory footnotes shall be presented on the schedule. The application shall be supported by schedules as set out below, and shall be assembled under topical sections, with index tabs for each section and a page number for each schedule. The form, order and titles of each section shall be prescribed as follows:

(1) Application, letter of transmittal, and authorization. This section shall contain a copy of the application, a copy of the letter of transmittal, and an appropriate document or documents authorizing the filing of the application, if any.

(2) General information and publicity. This section shall list the means employed by the carriers to acquaint the general public affected by the proposed rate change with the nature and extent of the proposal. These methods may include, but are not limited to, meetings with public officials, shippers, and citizen groups, newspaper articles and advertisements. This section shall include general information concerning the application which will be of interest to the public and suitable for publication. That information shall include, when applicable:

(A) The percent and dollar amount of the aggregate annual increase or decrease which the application proposes; and

(B) any other pertinent information which the applicant may desire to submit.

(3) List of carriers participating in the application. This list shall show the intrastate common carrier certificate route number, the name and address of each carrier that is a participant in the application.

(4) List of carriers in the study group. The list shall state the carriers used in the study group. A detailed explanation of how the study group of carriers was selected shall also accompany this section.

(5) Study group carriers operating ratios. This section shall contain the Kansas intrastate operating ratios for the actual test year for the study group carriers.

(6) Study group carriers—Test year and pro forma income statements. This section shall present:

(A) an operating income statement for each of the study group carriers and a composite statement of all the study group carriers depicting the unadjusted test year operations for the total system; and

(B) a second schedule that expands the actual system composite income statement to a Kansas intrastate operations income statement. This statement shall be adjusted to show pro forma test year operations. Sup-

porting schedules shall set forth a full and complete explanation of the purpose and rationale for the pro forma adjustments. The pro forma adjustments may include, but are not limited to, adjustments to reflect the elimination or normalization of nonrecurring and unusual items, and adjustments for known or determinable changes in revenue and expenses.

(7) Capital and cost of money. This section shall be prepared for each participating carrier having total Kansas intrastate system revenue of one million dollars or more. It shall contain:

(A) A schedule indicating the amounts of the major components of the capital structures of the carrier that are outstanding as of the beginning and at the end of the test year. This schedule shall contain the ratios of each component to the total capital;

(B) a schedule disclosing the cost of each issue of debt and preferred stock outstanding, with due allowance for premiums, discounts and issuance expense. Data relating to the other components of capital shall be shown, if appropriate; and

(C) if the applicant is a part of a consolidated group or a division of another company, the consolidated capital structure shall be included in this section.

(8) The proposed tariffs. The application shall contain the proposed tariffs requested for approval.

(9) Prefiled testimony shall be required in all transportation rate cases filed by a tariff publishing organization and all prefiled testimony shall be filed simultaneously with the filing of the application.

(10) All of the above sections shall be completed and in proper form. The commission shall reject applications if found to be incomplete or not in the form prescribed above. (Authorized by and implementing K.S.A. 1982 Supp. 66-1,112; effective, T-83-45, Dec. 8, 1982; effective May 1, 1983.)

#### Article 8.—SITING OF ELECTRIC GENERATION FACILITIES

**82-8-5 to 82-8-99.** Reserved.

**82-8-100. Definitions.** The following terms shall have the meaning set out below when applied to these regulations.

(a) "Commission" means the state corporation commission of Kansas.

(b) "Inductive coordination" means the location, design, construction, operation and maintenance of electric and communication systems methods which will prevent inductive interference.

(c) "Inductive interference" means an effect due to the inductive influence of an electric system, the inductive susceptiveness of a communication system, and the inductive coupling between the two systems of such character and magnitude as to prevent the communication system from rendering satisfactory and economical service.

(d) "Inductive susceptiveness" means those characteristics of a communication circuit with its associated apparatus which determine the extent to which its operation may be affected by inductive influence.

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(e) "Metallic circuit" means a two or more wire circuit that is multigrounded.

(f) "Overbuilding" means construction of one supply line above another supply line.

(g) "Supply line" means any overhead or underground transmission or distribution line for either telecommunication or electric energy transfer.

(h) "Underbuilding" means construction of one supply line under another supply line.

(i) "Utility" means organizations, individuals or others whose supply line construction comes under the jurisdiction of the commission as provided in K.S.A. 66-104. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-101. Adoption by reference of the National Electrical Safety Code (N.E.S.C.), 1981 edition.** The standard entitled the "National Electrical Safety Code" (N.E.S.C.), of the American National Standards Institute, Inc., 1981 edition, ANSI C2-1981, approved August 15, 1980 and published by the Institute of Electrical and Electronic Engineers, Inc., is adopted by reference except for the portion of rule 232.1, page 142 which provides standards for minimum vertical clearance of electric wires over railroad tracks. These standards are set out in K.S.A. 66-183 and K.S.A. 66-320. Otherwise, each utility installing supply lines shall construct and maintain them so that they conform with the minimum required strengths and clearance set out in N.E.S.C. Copies of N.E.S.C. are available from the Institute of Electrical and Electronic Engineers, Inc., 345 East 47th St., New York, N.Y. 10017. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-102. Utility applications.** Any utility proposing to build a new supply line, or contemplating a change in an existing supply line located outside the corporate limits of any city, shall present an application to the commission for approval which shall consist of the applicable commission form EL or CL and any other information required by the forms or these regulations including:

(a) Maps and plats, of a scale of at least one inch to the mile, showing any changes or additions to the supply lines; and

(b) a cost breakdown of the construction or extensions with unit cost of the plant.

On or before the day the application is submitted to the commission, the utility shall send written notice of the proposed construction or changes required by K.A.R. 82-8-104. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-103. Exceptions to 82-8-102 application.** (a) A utility may proceed with necessary construction, in cases of emergency, after written or telephone communication with the commission establishing need and securing emergency approval from the commission, provided:

(1) The utility complies with the rules and regulations to the extent practicable under the circumstances; and

(2) the utility files immediately with the commis-

sion an EL or CL application for approval of plans showing that the construction will ultimately be brought into full conformity with the regulations.

(b) A utility may proceed with construction of any supply line without making a K.A.R. 82-8-102 application if all of the following requirements are met:

(1) Prior to beginning construction, the utility gives written notice to railroads and other utilities having facilities within ½ mile of any contemplated supply line construction or change in construction; and

(2) the proposed supply line:

(A) is no longer than ½ mile. However, if the proposed extension is to an extension previously made under this exception, then the combined length of the proposed and original extensions shall be considered as the length of the proposed extension for purposes of this subsection. If the combined length exceeds ½ mile, then K.A.R. 82-8-102 application is required for the combined length;

(B) is within the utility's certified area; and

(C) does not interfere with the supply lines, tracks or facilities or other utilities or railroads. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-104. Notice of construction.** On or before the day any utility makes an application to the commission for any contemplated supply line construction, change in construction, or change in operating conditions to be located outside the corporate limits of any city, the utility shall send written notice of their plan:

(a) To the commission, at least 10 days before commencing construction;

(b) to railroads within ½ mile of the contemplated construction. The application shall not be considered for approval until at least 15 days after that notice is sent; and

(c) to all other utilities within ½ mile of the contemplated construction unless the utilities have executed a joint use agreement covering the area in which the construction is proposed. The application shall not be considered for approval until at least 10 days after this notice is sent. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-105. Metallic circuits.** Full metallic circuits shall be used in construction or reconstruction of any supply line under these regulations. This requirement shall not apply to supply lines in use unless they are reconstructed. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-8-106. Coordinated location of lines.** All utilities constructing supply lines in order to provide for the efficient and effective use of the public and private roads shall locate those lines in conformance with the following:

(a) When there are two or more practical methods of locating supply lines, to avoid conflicts or prevent objectionable interference, the method involving the least total cost shall be used regardless of whether the precautionary or special measures are taken in the plant of one party or the other.

(b) When supply lines on the same road will not

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occupy joint structures, all communication lines shall be placed on one side of the road and all electric lines shall be placed on the other side of the road so that as far as practicable, one side of the road will be available as the communication side and the other as the electrical side.

(c) The first supply line constructed shall establish that side of the road as the side for future supply lines of the same kind. Utilities shall, to the extent possible, construct and locate any such first supply line so as to avoid crossing roads or any other features which will cause unnecessary discontinuities.

(d) Overbuilding or underbuilding of supply lines shall be avoided whenever practicable. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

**82-S-107. Inductive coordination.** The utilities shall, where inductive interference is involved, work out an agreement to attain inductive coordination. When such an agreement is necessary, the most convenient and economical method consistent with effectiveness shall be employed whether that method limits inductive influence of the electric circuits, the inductive susceptiveness of the communication circuits, the inductive coupling between the two kinds of circuits or employs a combination of these methods. If there is a choice of methods, the one selected shall be applied to one or both systems according to the best engineering solution regardless of which circuit will require the greatest cost in corrective measures. (Authorized by and implementing K.S.A. 66-183; effective May 1, 1983.)

## STATE CORPORATION COMMISSION

Doc. No. 001116

(Published in the KANSAS REGISTER, April 28, 1983.)

### HOUSE BILL No. 2498

AN ACT concerning enterprise zones; relating to the designation thereof and to tax incentives relating thereto; amending K.S.A. 12-17,109 and 12-17,110 and K.S.A. 1982 Supp. 79-32,153 and 79-3641 and repealing the existing sections.

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

Section 1. K.S.A. 12-17,109 is hereby amended to read as follows: 12-17,109. (a) The governing body of a city seeking to designate an area located within the city as an enterprise zone shall submit to the secretary of the department of economic development a resolution requesting such area be approved as an enterprise zone and an enterprise zone plan which shall include the following: A map showing the boundaries of the zone, a narrative describing how the enterprise zone will eliminate economic distress, and local incentives, including a schedule for implementation thereof, which shall include at least one of the following: Financial assistance, job training, targeted capital improvements, local inspection fee waivers, employee child care or other incentive approved by the secretary. The secretary shall review the resolution and any evidence the plan submitted therewith to determine whether such area meets the criteria listed in K.S.A. 12-17,110, and amendments thereto. The secretary shall approve or disapprove the resolution by written findings of fact and shall notify the governing body of the city submitting the resolution of such determination. Upon the approval or disapproval of the resolution, the secretary shall transmit such findings to the governing body of such city. If the resolution is approved, the secretary shall transmit such findings and approval, to all affected state departments and agencies and shall notify such departments and agencies that the provisions of K.S.A. 12-17,111, and amendments thereto, shall be effective for

the authorized enterprise zone in accordance with the provisions of this act. The secretary shall have 30 days from receipt of such resolution to review, approve or disapprove its compliance with K.S.A. 12-17,110, and amendments thereto, and if applicable, transmit written notice of approval. Upon expiration of the thirty-day period, if the secretary has taken no action, the designating resolution shall be deemed approved and written notice of the automatic approval shall be transmitted to all affected state departments and agencies. *The approval of any such resolution submitted prior to the effective date of this act shall be effective only until July 1, 1984, at which time the governing body of a city may submit to the secretary, in the same manner prescribed for the submission of an original resolution requesting the designation of an enterprise zone, a resolution requesting reapproval of an enterprise zone. The approval of any such resolution submitted on or after the effective date of this act shall be effective only for five years after the date of such approval at which time the governing body of a city may submit to the secretary, in the same manner prescribed for submission of an original resolution requesting the designation of an enterprise zone, a resolution requesting reapproval of an enterprise zone. Such resolution shall be approved or disapproved in the same manner prescribed for the original approval or disapproval of the designation of an enterprise zone.*

(b) Every area approved as an enterprise zone by the secretary of the department of economic development prior to the effective date of this act shall continue to constitute and qualify as an enterprise zone until such area is required to be reapproved as an enterprise zone pursuant to subsection (a).

Sec. 2. K.S.A. 12-17,110 is hereby amended to read as follows: 12-17,110. The secretary of the department of economic development shall approve a resolution submitted pursuant to K.S.A. 12-17,109, and amendments thereto, only if:

(a) The area is within the corporate limits of a city; and  
(b) the boundary of the area is continuous and includes, if feasible, vacant or underutilized lands or buildings which are easily accessible to residents of the area; and

(c) (1) the area has a population according to the most recent census, of at least 4,000, if any portion of the area is located within a standard metropolitan statistical area, as defined by section 103A(1)(4)(B) of the federal housing and community development act of 1974, and which has a population of at least 50,000; or

(2) the area has a population of at least 2,500 in any other case the area has a population not exceeding 25% of the population of the city and a land area not exceeding 25% of the land area of the city, and the total area, including the area or areas which have been designated as an enterprise zone, included within enterprise zones does not exceed 25% of the population of the city and 25% of the land area of the city. For the purpose of determining whether the total area included within an enterprise zone or zones exceeds 25% of the total land area of a city, the land area within an industrial park located outside the corporate limits of a city shall only be considered to the extent of the land area of such park which is included within an enterprise zone; and

(d) (1) there is widespread poverty, unemployment, and general distress in the area; or the average rate of unemployment in the area for the most recent eighteen-month period for which data is available was at least 1.5 1/2 times the average state rate of unemployment for such eighteen-month period; or at least 70% of the residents living in the area have incomes below 80% of the median income of the residents of the city as determined under section 119(b) of the housing and community development act of 1974; or the population in the area decreased by 10% or more between 1970 and 1980; and

(A) the governing body of the city finds that there is substantial deterioration, abandonment or demolition of commercial or residential structures in the area; or

(B) the governing body of the city finds that there are substantial tax arrearages of commercial or residential structures in the area; or

(2) the area is located wholly within a city which meets the

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requirements for federal assistance under section 119 of the housing and community development act of 1974.

Sec. 3. K.S.A. 1982 Supp. 79-32,153 is hereby amended to read as follows: 79-32,153. (a) Any taxpayer who shall establish a new business facility, as defined in subsection (b) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, shall be allowed a credit, in an amount determined under subsection (b), (c) or (d), as the case requires, against the tax imposed by the Kansas income tax act for the taxable year during which commencement of commercial operations, as defined in subsection (g) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, occurs at such new business facility, and for each of the nine succeeding taxable years. No credit shall be allowed under this section unless the number of new business facility employees, as determined under subsection (e) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, engaged or maintained in employment at the new business facility for the taxable year for which the credit is claimed equals or exceeds two.

(b) The credit allowed by subsection (a) for any taxpayer who established a new business facility prior to January 1, 1982, shall be a portion of the income tax, but not in excess of 50% of such tax, otherwise imposed by the Kansas income tax act on the taxpayer's new business facility income, as defined in subsection (h) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, for the taxable year for which such credit is allowed. Such portion shall be an amount equal to the sum of the following:

(1) Fifty dollars for each new business facility employee, determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto; plus

(2) fifty dollars for each \$100,000, or major fraction thereof (which shall be deemed to be 51% or more), in new business facility investment, as determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto.

(c) The credit allowed by subsection (a) for any taxpayer who establishes a new business facility located outside an enterprise zone on or after January 1, 1982, shall be a portion of the income tax, but not in excess of 50% of such tax, otherwise imposed by the Kansas income tax act on the taxpayer's new business facility income, as defined in subsection (h) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, for the taxable year for which such credit is allowed. Such portion shall be an amount equal to the sum of the following:

(1) One hundred dollars for each new business facility employee determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto; plus

(2) one hundred dollars for each \$100,000, or major fraction thereof (which shall be deemed to be 51% or more), in new business facility investment as determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto.

(d) For all taxable years commencing after December 31, 1982, the credit allowed by subsection (a) for any taxpayer who establishes a new business facility within an enterprise zone shall be a portion of the income tax, but not in excess of 50% of such tax, otherwise imposed by the Kansas income tax act on the taxpayer's new business facility income, as defined in subsection (h) of K.S.A. 1982 Supp. 79-32,154, and amendments thereto, for the taxable year for which such credit is allowed. Such portion shall be an amount equal to the sum of the following:

(1) Three hundred and fifty dollars for each new business facility employee as determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto, who resides in this state, and who resides outside the enterprise zone other than a new business facility employee referred to in paragraph (2) of this subsection (d);

(2) Five hundred dollars for each new business facility employee as determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto, who resides in this state and who resides within the enterprise zone whose employment entitles the employer to a targeted jobs tax credit under section 44B of the internal revenue code in the same taxable year; plus

(3) Three hundred and fifty dollars for each \$100,000, or major fraction thereof, (which shall be deemed to be 51% or more), in new business facility investment as determined under K.S.A. 1982 Supp. 79-32,154, and amendments thereto.

(e) No credit shall be allowed under this section for the establishment or expansion of a public utility, as such term is defined in K.S.A. 66-104 and amendments thereto.

New Sec. 4. As used in this act, the phrases "area located within a city" or "area within the corporate limits of a city" or other phrases of like effect shall include the area within an industrial park established and existing prior to the effective date of this act, which is located outside the corporate limits of a city.

Sec. 5. K.S.A. 1982 Supp. 79-3641 is hereby amended to read as follows: 79-3641. All sales tax paid on the sale of tangible personal property or services purchased for the purpose of and in conjunction with constructing, equipping, reconstructing, maintaining, repairing, enlarging or remodeling a new business facility located within an enterprise zone, which qualifies for an income tax credit under K.S.A. 1982 Supp. 79-32,153, and amendments thereto, and all sales tax paid on the sale and installation of machinery and equipment purchased and installed in conjunction with the original establishment of such a facility, shall be refunded to the purchaser of such tangible personal property or services upon a proper claim having been submitted therefor. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this section. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee. This section, as amended by this act, shall govern all claims for refund filed after the effective date of this act.

Sec. 6. K.S.A. 12-17,109, 12-17,110 and K.S.A. 1982 Supp. 79-32,153 and 79-3641 are hereby repealed.

Sec. 7. 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, 1983.

House adopted Conference Committee report April 9, 1983.  
MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended April 7, 1983.  
Senate adopted Conference Committee report April 9, 1983.  
ROSS O. DOYEN  
President of the Senate.  
LU KENNEY  
Secretary of the Senate.

APPROVED April 22, 1983.

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 25th day of April, 1983.

(SEAL) JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER, April 28, 1983.)

## HOUSE BILL No. 2154

AN ACT relating to city and countywide retailers' sales taxes; providing authority for cities and counties relating thereto; establishing the tax situs for the sales of services; amending K.S.A. 12-189 and 12-191 and repealing the existing sections.

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

New Section 1. For the purpose of levying taxes pursuant to K.S.A. 12-187 *et seq.* and amendments thereto, there is hereby specifically conferred upon cities and counties of this state the power and authority to impose taxes upon services rendered without the boundaries of the taxing jurisdiction by retailers having a place of business located within such taxing jurisdiction.

New Sec. 2. For the purpose of determining the situs of installation, maintenance, servicing and repair services taxable under the provisions of K.S.A. 12-187 *et seq.* and amendments thereto, the place of business of the retailer of such services shall be the office or other location from which such retailer does business. Such location may be established by determining the location where sales or service personnel report or at which mail is received, orders are taken, telephone service is listed or the consideration of any other relevant factors established by rules and regulations of the secretary of revenue. If the place of business of a retailer of services is located within the boundaries of a city or county imposing a local retailers' sales tax, services performed by such retailer are subject to the tax regardless of whether the service is performed within or without the boundaries of the taxing jurisdiction. If there is no fixed or determinable place of business for any retailer, other than a retailer having its only place or places of business in another state, the place of business of such retailer shall be deemed to be the place where the services are performed.

Sec. 3. K.S.A. 12-189 is hereby amended to read as follows: 12-189. The rate of any city retailers' sales tax shall be fixed in the amount of .5% or 1% which amount shall be determined by the governing body of the city. The rate of any countywide retailers' sales tax shall be fixed in an amount of either .5% or 1% which amount shall be determined by the board of county commissioners. Any county or city levying a retailers' sales tax is hereby prohibited from administering or collecting such tax locally, but shall utilize the services of the state department of revenue to administer, enforce and collect such tax. Except as otherwise specifically provided in K.S.A. 12-189a and 12-190, and amendments thereto, such tax shall be identical in its application, and exemptions therefrom, to the Kansas retailers' sales tax act and all laws and administrative rules and regulations of the state department of revenue relating to the Kansas retailers' sales tax shall apply to such local sales tax insofar as such laws and rules and regulations may be made applicable. The state secretary of revenue director of taxation is hereby authorized to administer, enforce and collect such local sales taxes and to adopt such rules and regulations as may be necessary for the efficient and effective administration and enforcement thereof. Upon receipt of a certified copy of an ordinance or resolution authorizing the levy of a local retailers' sales tax, the state director of taxation shall cause such taxes to be collected within or without the boundaries of such taxing subdivision at the same time and in the same manner provided for the collection of the state retailers' sales tax. All moneys collected by the director of taxation under the provisions of this section shall be credited to a "county and city retailers' sales tax fund" which fund is hereby established in the state treasury. Any refund due on any county or city retailers' sales tax collected pursuant to this act shall be paid out of the sales tax refund fund and reimbursed by the director of taxation from collections of local retailers' sales tax revenue. All local retailers' sales tax revenue collected within any county or city pursuant to this act shall be remitted at least quarterly by the state treasurer, on instruction from the director of taxation, to the treasurer of such county or city.

Sec. 4. K.S.A. 12-191 is hereby amended to read as follows: 12-191. All retail transactions consummated within a county or city having a retail sales tax, which transactions are subject to the

Kansas retailers' sales tax, shall also be subject to such county or city retail sales tax, except as otherwise expressly provided in K.S.A. 12-190, and amendments thereto. Except as hereinafter provided, all retail sales, for the purpose of this act, shall be considered to have been consummated at the place of business of the retailer. In the event the place of business of a retailer is doubtful the place or places at which the retail sales are consummated for the purposes of this act shall be determined under rules and regulations adopted by the secretary of revenue, which rules and regulations shall be considered with state and federal law insofar as applicable. Retail sales involving the use, consumption, or furnishing of gas, water, electricity and heat, for the purposes of this act, shall be considered to have been consummated at the situs of the user or recipient thereof, and retail sales involving the use or furnishing of telephone service, shall be considered to have been consummated at the situs of the subscriber billed therefor. Retail sales involving the furnishing of services taxable under subsections (p), (q) and (r) of K.S.A. 79-3603, and amendments thereto, pursuant to a contract under which the sale of such services and the furnishing of tangible personal property exceeds \$10,000 per contract per contractor shall be considered to have been consummated at the situs where such services are performed. The director of taxation is hereby authorized to request and receive from any retailer or from any city or county levying the tax such information as may be reasonably necessary to determine the liability of retailers for any county or city sales tax. In all cases the collection of any county sales tax or sales tax levied by a class B city shall commence on the first day of the month, except in no case shall collection thereof begin prior to the first day of the month next following the sixtieth day after the date of the election authorizing the levy of such tax.

Whenever any sales tax, imposed by any class B city or county under the provisions of this act, shall become effective, at any time prior to the time that revenue derived therefrom may be budgeted for expenditure in such year, such revenue shall be credited to the funds of the taxing subdivision or subdivisions and shall be carried forward to the credit of such funds for the ensuing budget year in the manner provided for carrying forward balances remaining in such funds at the end of a budget year.

Sec. 5. K.S.A. 12-189 and 12-191 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, 1983.

HOUSE concurred in SENATE amendments April 9, 1983.

MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended April 8, 1983.

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

APPROVED April 22, 1983.

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 25th day of April, 1983.

JACK H. BRIER  
Secretary of State.

(SEAL)



(Published in the KANSAS REGISTER, April 28, 1983.)

HOUSE BILL No. 2477

AN ACT concerning certain governmental entities and their employees; relating to liability for certain acts and omissions; concerning defense, compromise or settlement of certain civil rights actions; amending K.S.A. 1982 Supp. 75-6102, 75-6116 and 75-6117 and repealing the existing sections.

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

Section 1. K.S.A. 1982 Supp. 75-6102 is hereby amended to read as follows: 75-6102. As used in K.S.A. 1982 Supp. 75-6101 to 75-6116, inclusive through 75-6118, and amendments thereto, unless the context clearly requires otherwise:

(a) "State" means the state of Kansas and any department or branch of state government, or any 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 state or municipality.

(d) "Employee" means any officer, employee or, servant or any member of a board, commission, committee, division, department, branch 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. "Employee" does not include an independent contractor under contract with a governmental entity. "Employee" 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. 1982 Supp. 75-6116 is hereby amended to read as follows: 75-6116. (a) If an employee of a governmental entity is or could be subject to personal civil liability for a loss occurring because on account of a noncriminal act or omission which is within the scope of his or her the employee's employment and which allegedly violates the civil rights laws of the United States or of the state of Kansas, and the act or omission was in good faith, and the governmental entity shall provide for the defense of any civil action or proceeding which arises out of the act or omission and which is brought against the employee in the employee's official or individual capacity or both to the extent and under the conditions and limitations provided by K.S.A. 1982 Supp. 75-6108 and amendments thereto for the defense of actions and proceedings under the Kansas tort claims act. If the employee's act or omission giving rise to the action or proceeding was not the result of actual fraud or actual malice and the employee reasonably cooperates in good faith in defense of the action or proceeding, the governmental entity shall, subject to procedure any procedural requirements imposed by statute, ordinance, resolution or written policy, shall pay or cause to be paid any judgment or settlement of the claim or suit and all costs and fees incurred by the employee in defense thereof.

(b) A municipality may pay for the cost of providing defense, judgments and other costs involving actions for alleged civil rights violations in the same manner as that provided in the Kansas tort claims act.

(c) In actions described in subsection (a), a claim against the state or an employee of the state may be compromised or settled for and on behalf of the state or employee under the conditions and procedures provided by K.S.A. 1982 Supp. 75-6106 and amendments thereto for settlements of actions pursuant to the Kansas tort claims act.

(d) Nothing in this section or in the Kansas tort claims act shall be construed as a waiver by the state of Kansas of immunity from suit under the 11th amendment to the constitution of the United States.

Sec. 3. K.S.A. 1982 Supp. 75-6117 is hereby amended to read as follows: 75-6117. (a) There is hereby established in the state treasury the tort claims fund which shall be administered by the attorney general. All expenditures from such fund shall be made upon warrants of the director of accounts and reports pursuant to vouchers approved by the attorney general or by a designee of the attorney general.

(b) Moneys in the tort claims fund shall be used only for the

purpose of paying (1) compromises, settlements and final judgments arising from claims against the state or an employee of the state under the Kansas tort claims act or under the civil rights laws of the United States or of the state of Kansas and (2) costs of defending the state or an employee of the state in any actions or proceedings on those claims. To the extent that payment cannot be made from insurance coverage obtained therefor, payment of a compromise or settlement shall be made from the fund if the compromise or settlement has been approved by the state finance council as provided in K.S.A. 1982 Supp. 75-6106 and amendments thereto. To the extent that payment cannot be made from insurance coverage obtained therefor, payment of a final judgment shall be made from the fund if there has been a determination of any appeal taken from the judgment or, if no appeal is taken, if the time for appeal has expired.

(c) Upon certification by the attorney general to the director of accounts and reports that the unencumbered balance in the tort claims fund is insufficient to pay an amount for which the fund is liable, the director of accounts and reports shall transfer an amount equal to the insufficiency from the state general fund to the tort claims fund.

(d) This section shall be part of and supplemental to the Kansas tort claims act.

Sec. 4. K.S.A. 1982 Supp. 75-6102, 75-6116 and 75-6117 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 8, 1983.

House adopted Conference Committee report April 9, 1983.

MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 30, 1983.

Senate adopted Conference Committee report April 8, 1983.

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

APPROVED April 21, 1983.

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 22nd day of April, 1983.

(SEAL)

JACK H. BRIER  
Secretary of State.



(Published in the KANSAS REGISTER, April 28, 1983.)

## HOUSE BILL No. 2493

AN ACT concerning fish and game; relating to hunting, fishing and trapping licenses; amending K.S.A. 1982 Supp. 32-104 and repealing the existing section.

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

Section 1. K.S.A. 1982 Supp. 32-104 is hereby amended to read as follows: 32-104. (a) No person, except as hereinafter provided, shall hunt, shoot, kill, molest, trap, catch or take in any manner any game bird, or game or fur-bearing animal, or any wild birds or animals, including coyotes, or attempt to take or take any fish during any portion of the year, without first having in possession a license issued to such person, as hereinafter provided, for the calendar year in which such hunting, trapping or fishing is done. A furharvester license shall be required to hunt and trap fur-bearing animals and to trap coyotes, *except that any resident individual under 14 years of age and accompanying a person having a furharvester license is hereby authorized to hunt and trap any furbearing animal and to trap coyotes without obtaining a furharvester's license.* Inmates sentenced to the custody of the secretary of corrections while in honor camps operated by the secretary of corrections and residents under the age of 21 years in institutions under the supervision of the secretary of social and rehabilitation services shall not be required to obtain a fishing license, pursuant to any agreement by and between the secretary of corrections or the secretary of social and rehabilitation services and the director of the Kansas fish and game commission. It shall be unlawful for any person or persons to sell or ship or offer for sale or shipment any fur-bearing animals or their hides, pelts or furs without first having in possession a furharvester license issued to such person for the calendar year. *Nonresidents may sell fur-bearing animals or their hides, pelts or furs legally taken in other states to licensed Kansas fur dealers if such nonresident has been issued and is in possession of a trapping, furharvester or other appropriate license permitting such taking or selling in the issuing state.* It shall be unlawful for any person to pursue, shoot at or kill wild birds or animals from an aircraft. It shall also be unlawful to locate, hunt or pursue wild animals or birds from an aircraft, or to give information concerning the location thereof by radio or other mechanical device from an aircraft, during open seasons established by law or rule and regulation for the use of firearms for hunting deer. Nonresidents participating in field trials for dogs recognized by rule and regulation of the Kansas fish and game commission in Kansas shall not be required to purchase hunting or furharvester licenses. Notwithstanding any provision of this section to the contrary, nonresident minors under 16 years of age shall not be required to obtain a license for the taking of fish.

(b) *The Kansas fish and game commission shall adopt rules and regulations to authorize unlicensed individuals to accompany a person having a furharvester license.*

Sec. 2. K.S.A. 1982 Supp. 32-104 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 7, 1983.

House adopted Conference Committee report April 9, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE as amended March 24, 1983.  
Senate adopted Conference Committee report April 9, 1983.

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

APPROVED April 21, 1983.

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 22nd day of April, 1983.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER, April 28, 1983.)

## HOUSE BILL No. 2553

AN ACT concerning the city of Glade; relating to elections for the approval of the issuance of bonds.

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

Section 1. Any election which was held prior to the effective date of this act for the approval of the issuance of general obligation bonds of the city of Glade to pay the costs of drilling and equipping a new water well in accordance with K.S.A. 15-408 and amendments thereto and which had notice thereof first published 19 days prior to the election instead of 21 days prior to the election is hereby validated. The city council of the city of Glade may issue the bonds in the amount and for the purpose approved by the voters at the election. The bonds shall be legal and binding obligations of the city of Glade.

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 5, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE April 9, 1983.

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

APPROVED April 22, 1983.

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 22nd day of April, 1983.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER, April 28, 1983.)

(Published in the KANSAS REGISTER, April 28, 1983.)

HOUSE BILL No. 2451

HOUSE BILL No. 2156

AN ACT concerning population figures; amending K.S.A. 11-201 and repealing the existing section.

AN ACT making and concerning appropriations for the fiscal years ending June 30, 1983, June 30, 1984, June 30, 1985, and June 30, 1986, to initiate and complete certain capital improvement projects, to acquire and install certain equipment, and for technical assistance for energy conservation for certain institutions for the university of Kansas, Kansas state university, Kansas technical institute, department of administration, Kansas state penitentiary, youth center at Topeka, state industrial reformatory, Fort Hays state university, Emporia state university, Pittsburg state university, Wichita state university, university of Kansas medical center, state board of regents, state park and resources authority, and state historical society; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing disbursements and acts incidental to the foregoing; providing certain exemptions; amending section 5 of chapter 15, section 8 of chapter 24 and section 52 of chapter 31 of the 1982 Session Laws of Kansas and repealing the existing sections.

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

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

Section 1. K.S.A. 11-201 is hereby amended to read as follows: 11-201. (a) Except as otherwise provided in K.S.A. 11-203 and amendments thereto subsection (b), the most recent population figures available from the United States bureau of the census as certified to the secretary of state by the division of the budget on July 1 of each year shall be used for all purposes in the application of the statutes of this state except that prior to July 1, 1981, in any county having a population of more than 160,000 and not more than 180,000, population figures and census of the state board of agriculture applicable to such county on June 30, 1970, shall be used for such purposes. Whenever the use of the population figures or the census of the state board of agriculture is referred to or designated by a statute, such reference or designation shall be deemed to mean the population figures certified to the secretary of state pursuant to this section. The city and county population figures certified to the secretary of state pursuant to this section shall be distributed by the division of the budget to the cities and counties of the state and to such other governmental entities as the division deems appropriate and shall be made available by the division upon request of any other person.

Section 1. For the fiscal years ending June 30, 1983, June 30, 1984, June 30, 1985, and June 30, 1986, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, disbursements and acts incidental to the foregoing are hereby directed or authorized to initiate and complete capital improvement projects as provided in this act.

The population figures certified to the secretary of state pursuant to this section shall be disposed of in accordance with K.S.A. 75-3501 et seq.

Sec. 2. On July 1, 1983, section 5 of chapter 15 of the 1982 Session Laws of Kansas is hereby amended to read as follows: Sec. 5.

(b) On July 1 of each year, the division of the budget shall distribute to the treasurer of each county a table showing the total population of the county, the total population of the county residing outside the boundaries of any incorporated city and the population of each incorporated city within the county, using the most recent information which is available from the United States bureau of the census and which provides actual or estimated population figures for both cities and counties as of the same date. The county treasurer shall use the table as the basis for apportioning revenue from any countywide retailers' sales tax pursuant to K.S.A. 12-192 and amendments thereto.

UNIVERSITY OF KANSAS

Sec. 2. K.S.A. 11-201 is hereby repealed.

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to construct Haworth hall addition, subject to the restrictions and limitations imposed by this section.

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

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement project and for the fiscal years specified as follows:

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 24, 1983.

Table with 2 columns: Description and Amount. Rows include Construct Haworth hall addition for fiscal years ending June 30, 1983, 1984, 1985, and 1986.

MIKE HAYDEN Speaker of the House. GENEVA SEWARD Chief Clerk of the House.

(c) The appropriations made by this section shall not be subject to the provisions of K.S.A. 46-155 and any amendments thereto.

Passed the SENATE April 9, 1983.

Sec. 3.

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

(a) The above agency is hereby authorized to initiate and complete capital improvement projects to replace Bailey hall air handling system and for Murphy hall brickwork repairs, subject to the restrictions and limitations imposed by this section.

APPROVED April 20, 1983.

JOHN CARLIN Governor.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement projects and for the fiscal year specified as follows:

Table with 2 columns: Description and Amount. Rows include Replace Bailey hall air handling system and Murphy hall brickwork repairs for fiscal year ending June 30, 1984.

STATE OF KANSAS Office of Secretary of State

Sec. 4.

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.

KANSAS STATE UNIVERSITY

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 22nd day of April, 1983.

(a) The above agency is hereby authorized to initiate and complete capital improvement projects to reconstruct and equip Nichols gymnasium, for preliminary planning for chemistry-biochemistry building, for Weber hall roof repairs and for preliminary planning for Weber hall renovation and addition, subject to the restrictions and limitations imposed by this section.

JACK H. BRIER Secretary of State.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement projects and for the fiscal years specified as follows:

Table with 2 columns: Description and Amount. Rows include Reconstruct and equip Nichols gymnasium, Preliminary planning—chemistry-biochemistry building, Weber hall roof repairs, and Preliminary planning—Weber hall renovation for fiscal years ending June 30, 1984 and 1985.

(SEAL)

(continued)

Sec. 5.

KANSAS TECHNICAL INSTITUTE

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to construct and equip classroom, office and laboratory building, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement project and for the fiscal years specified as follows:

Construct and equip classroom, office and laboratory building	
For the fiscal year ending June 30, 1984	\$1,350,000
For the fiscal year ending June 30, 1985	1,820,000

(c) The Kansas technical institute is hereby authorized to raze buildings numbered 359, 462, 464, 482 and 484 which are former military barracks located on the grounds of the Kansas technical institute and which are no longer usable.

Sec. 6.

DEPARTMENT OF ADMINISTRATION

(a) The above agency is hereby authorized to initiate and complete capital improvement projects for final planning, design and construction of capitol complex heating plant, for state office building ventilation and air conditioning renovation, and for special maintenance on state office buildings, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state general fund for the capital improvement project and for the fiscal years specified as follows:

Final planning, design and construction of capitol complex heating plant	
For the fiscal year ending June 30, 1984	\$285,000
For the fiscal year ending June 30, 1985	313,000

(c) There is appropriated for the above agency from the state buildings depreciation fund for the capital improvement projects and for the fiscal years specified as follows:

Final planning, design and construction of capitol complex heating plant	
For the fiscal year ending June 30, 1984	\$428,000
For the fiscal year ending June 30, 1985	469,000
State office building ventilation and air conditioning renovation	
For the fiscal year ending June 30, 1984	400,000
For the fiscal year ending June 30, 1985	580,000
Special maintenance on state office buildings	
For the fiscal year ending June 30, 1984	175,000

(d) Except upon approval of any other capital improvement projects by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, expenditures from the state buildings depreciation fund are authorized only for the capital improvement projects authorized by this or any other appropriations act.

Sec. 7.

KANSAS STATE PENITENTIARY

(a) There is appropriated for the above agency from the state general fund for the capital improvement project and for the fiscal years specified as follows:

Plan and construct medium-custody and support facilities, including remodeling of inside service building	
For the fiscal year ending June 30, 1985	\$1,365,853
For the fiscal year ending June 30, 1986	141,400

Sec. 8. On the effective date of this act, section 8 of chapter 24 of the 1982 Session Laws of Kansas is hereby amended to read as follows: Sec. 8.

KANSAS STATE PENITENTIARY

(a) There is appropriated for the above agency from the state general fund the following:

Salaries and wages	\$7,391,978
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Provided, That any unencumbered balance in excess of \$100 as of June 30, 1982, is hereby reappropriated for fiscal year 1983: Provided, however, That expenditures from such reappropriated balance shall not exceed \$147,914 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c.

Other operating expenditures	4,958,026
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Provided, That any unencumbered balance in excess of \$100 as of June 30, 1982, is hereby reappropriated for fiscal year 1983: Provided, however, That expenditures from such reappropriated

balance shall not exceed \$58,555 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c.

Any unencumbered balance as of June 30, 1982, in each of the following accounts is hereby reappropriated for fiscal year 1983: Telecommunications equipment; preliminary and final plans for plan and construct medium-custody and support facilities, including remodeling of inside service building; acquisition of land and any improvements thereon for medium-custody and support facilities.

Total	\$12,350,004
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(b) There is appropriated for the above agency from the following special revenue funds all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund	\$31,540
Inmate canteen fund	No limit
Inmate benefit fund	No limit
Plasmapheresis program fund	745

(c) There is appropriated for the above agency from the federal revenue sharing fund the following:

Plan and construct medium-custody and support facilities, including remodeling of inside service building	\$7,100,000
Provided, That expenditures may be made from this account for razing of existing structures.	

Sec. 9. On July 1, 1983, section 52 of chapter 31 of the 1982 Session Laws of Kansas is hereby amended to read as follows: Sec. 52.

KANSAS STATE PENITENTIARY

(a) There is appropriated for the above agency from the state general fund for the fiscal year specified, the following:

	Fiscal Year 1983	Fiscal Year 1983
Other operating expenditures	\$45,000	

(b) There is appropriated for the above agency from the state general fund for the fiscal year specified, the following:

Plan and construct medium-custody and support facilities, including remodeling of inside service building		
For the fiscal year ending June 30, 1984	\$5,831,118	\$5,594,447

Sec. 10.

YOUTH CENTER AT TOPEKA

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to construct and equip heating plant and steam distribution system, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state institutions building fund for the capital improvement project and for the fiscal years specified as follows:

Construct and equip heating plant and steam distribution system	
For the fiscal year ending June 30, 1984	\$1,293,600
For the fiscal year ending June 30, 1985	323,400

Sec. 11.

STATE INDUSTRIAL REFORMATORY

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to plan and construct 96-bed modular facility, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state general fund for the capital improvement project and for the fiscal years specified as follows:

Plan and construct 96-bed modular facility	
For the fiscal year ending June 30, 1984	\$200,000
For the fiscal year ending June 30, 1985	795,441

Sec. 12.

FORT HAYS STATE UNIVERSITY

(a) The above agency is hereby authorized to initiate and complete capital improvement projects for preliminary planning—Sheridan coliseum renovation and for planning—Martin Allen hall renovation, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state

(continued)

general fund for the capital improvement projects and for the fiscal year specified as follows:

Preliminary planning—Sheridan coliseum renovation	
For the fiscal year ending June 30, 1984 .....	\$50,000
Planning—Martin Allen hall renovation	
For the fiscal year ending June 30, 1984 .....	6,250

(c) On the effective date of this act, of the \$220,000 appropriated for the above agency by section 2(a) of chapter 25 of the 1982 Session Laws of Kansas from the state general fund in the reroof Forsyth library account, the sum of \$98,000 is hereby lapsed.

Sec. 13.

EMPORIA STATE UNIVERSITY

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to construct animal facility in Breukelman hall, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement project and for the fiscal year specified as follows:

Construct animal facility in Breukelman hall	
For the fiscal year ending June 30, 1984 .....	\$66,000

Sec. 14.

PITTSBURG STATE UNIVERSITY

(a) The above agency is hereby authorized to initiate and complete a capital improvement project to replace Russ-Porter utility tunnel, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement project and for the fiscal year specified as follows:

Replace Russ-Porter utility tunnel	
For the fiscal year ending June 30, 1984 .....	\$98,500

Sec. 15.

WICHITA STATE UNIVERSITY

(a) The above agency is hereby authorized to initiate and complete a capital improvement project for final planning for an addition to and remodeling of Ablah library, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the Kansas educational building fund for the capital improvement project and for the fiscal year specified as follows:

Addition to and remodeling of Ablah library—final planning	
For the fiscal year ending June 30, 1984 .....	\$360,000

Sec. 16.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the Kansas educational building fund for the fiscal year specified, the following:

Purchase and install hazardous waste incinerator	
For the fiscal year ending June 30, 1984 .....	\$380,000
Purchase and installation of hospital equipment	
For the fiscal year ending June 30, 1984 .....	935,000

Sec. 17.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the Kansas educational building fund for the fiscal year specified, the following:

Major repairs, special maintenance, remodeling and technical assistance for energy conservation for institutions of higher education	
For the fiscal year ending June 30, 1984 .....	\$1,915,000

*Provided*, That the state board of regents is hereby authorized to transfer moneys from this account to an account or accounts of the Kansas educational building fund of any institution under its jurisdiction to be expended by the institution for projects approved by the state board of regents.

Sec. 18.

STATE PARK AND RESOURCES AUTHORITY

(a) The above agency is hereby authorized to initiate and complete capital improvement projects for spillway repair—Lake Scott state park and renovation of Lake Scott, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state general fund for the capital improvement projects and for the fiscal year specified as follows:

Spillway repair—Lake Scott state park	
For the fiscal year ending June 30, 1985 .....	\$100,000
Renovation of Lake Scott	
For the fiscal year ending June 30, 1985 .....	125,000

(c) In addition to other capital improvement projects for which expenditures may be made for fiscal year 1985 from the land and water conservation fund—state as authorized in accordance with appropriation acts, the above agency is hereby authorized to make expenditures for fiscal year 1985 from such fund for the following capital improvement projects, subject to the expenditure limitations prescribed therefor:

Spillway repair—Lake Scott state park—FY 1985 .....	\$100,000
Renovation of Lake Scott—FY 1985 .....	375,000

(d) On July 1, 1984, the director of accounts and reports shall transfer \$125,000 from the forestry, fish and game commission fee fund of the Kansas fish and game commission to the renovation of Lake Scott—FY 1985 account of the land and water conservation fund—state of the state park and resources authority.

Sec. 19.

STATE HISTORICAL SOCIETY

(a) The above agency is hereby authorized to initiate and complete a capital improvement project for access road to Kansas museum of history, subject to the restrictions and limitations imposed by this section.

(b) There is appropriated for the above agency from the state general fund for the capital improvement project and for the fiscal year specified as follows:

Access road to Kansas museum of history	
For the fiscal year ending June 30, 1985 .....	\$492,077

Sec. 20. Section 8 of chapter 24 of the 1982 Session Laws of Kansas is hereby repealed.

Sec. 21. On July 1, 1983, section 5 of chapter 15 and section 52 of chapter 31 of the 1982 Session Laws of Kansas are hereby repealed.

Sec. 22. *Effective date.* 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 4, 1983.

HOUSE concurred in SENATE amendments April 8, 1983.  
 MIKE HAYDEN  
*Speaker of the House.*  
 GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE as amended April 7, 1983.  
 ROSS O. DOYEN  
*President of the Senate.*  
 LU KENNEY  
*Secretary of the Senate.*

APPROVED April 23, 1983.

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 25th day of April, 1983.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER, April 28, 1983.)

## HOUSE BILL No. 2135

AN ACT making and concerning appropriations for the fiscal year ending June 30, 1983, for the secretary of state, department of revenue, department of human resources, Kansas state university, Kansas technical institute, department of revenue—school district income tax fund, university of Kansas medical center, Wichita state university, Kansas state grain inspection department, lieutenant governor, Kansas commission on interstate cooperation, state bank commissioner, consumer credit commissioner, state department of credit unions, department of economic development, Kansas public employees retirement system, savings and loan department, office of the securities commissioner of Kansas, Kansas board of examiners in fitting and dispensing of hearing aids, state board of pharmacy, Kansas state school for the deaf, department of education, Emporia state university, state board of regents, Kansas state school for the visually handicapped, state board of agriculture, Kansas animal health department, Kansas water office, advisory council for vocational education, attorney general—Kansas bureau of investigation and university of Kansas; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain disbursements and acts incidental to the foregoing; amending section 3 of chapter 30 of the 1982 Session Laws of Kansas and repealing the existing section.

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

Section 1. For the fiscal year ending June 30, 1983, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

## Sec. 2.

## SECRETARY OF STATE

(a) The expenditure limitation established by section 14(b) of chapter 19 of the 1982 Session Laws of Kansas on the state register fee fund is hereby increased from \$60,756 to \$99,089.

## Sec. 3.

## DEPARTMENT OF REVENUE

(a) The expenditure limitation established by the state finance council on the division of vehicles operating fund is hereby decreased from \$14,655,920 to \$14,018,825.

(b) There is appropriated for the above agency from the state general fund the following:

Salaries and wages and other operating expenditures . . . . .	\$138,878
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## Sec. 4.

## DEPARTMENT OF HUMAN RESOURCES

(a) The expenditure limitation established by section 8(c) of chapter 19 of the 1982 Session Laws of Kansas on the amount of expenditures authorized to be made from the employment security fund from funds made available to the state under section 903 of the social security act, as amended, is hereby increased from \$122,040 to \$265,441.

(b) There is appropriated for the above agency from the following special revenue funds all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures shall not exceed the following:

Job training partnership act—service delivery area grants fund . . .	No limit
Job training partnership act—title III—dislocated workers fund . . .	No limit

(c) There is appropriated for the above agency from the state general fund the following:

Other operating expenditures . . . . .	\$900
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## Sec. 5.

## KANSAS STATE UNIVERSITY

(a) On the effective date of this act, of the \$322,640 appropriated for the above agency by section 3(d) of chapter 25 of the 1982 Session Laws of Kansas from the Kansas educational building fund in the reconstruction of Nichols gymnasium—final planning account, the sum of \$12,000 is hereby lapsed.

(b) There is appropriated for the above agency from the following special revenue fund, all moneys now or hereafter lawfully credited to and available in such fund, except that expenditures shall not exceed the following:

Student coliseum bond fee fund . . . . .	No limit
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(c) On or before the 10th day of the month immediately following the month in which this act takes effect and on or before the 10th day of each month thereafter during fiscal year 1983, the director of accounts and reports shall transfer from the state general fund to the student coliseum bond fee fund the amount of money certified by the pooled money investment

board in accordance with this section. Prior to the 10th day of the month immediately following the month in which this act takes effect and prior to the 10th day of each month thereafter during fiscal year 1983, the pooled money investment board shall certify to the director of accounts and reports an amount of money equal to the proportionate amount of all the interest credited to the state general fund for the preceding month, pursuant to K.S.A. 75-4210a and amendments thereto, that is attributable to moneys in the student coliseum bond fee fund. Such amount of money shall be determined by the pooled money investment board based on: (1) The average daily balance of moneys in the student coliseum bond fee fund during the preceding month as certified to the board by the president of Kansas state university and (2) the average interest rate on time deposit, open accounts for that period as determined under K.S.A. 75-4212 and amendments thereto. On or before the fifth day of the month immediately following the month in which this act takes effect and on or before the fifth day of each month thereafter during fiscal year 1983, the president of Kansas state university shall certify to the pooled money investment board the average daily balance of moneys in the student coliseum bond fee fund during the preceding month.

## Sec. 6.

## KANSAS TECHNICAL INSTITUTE

(a) On the effective date of this act, of the \$156,000 appropriated for the above agency by section 10(c) of chapter 25 of the 1982 Session Laws of Kansas from the federal revenue sharing fund in the replace roof on computer center account, the sum of \$60,000 is hereby lapsed.

(b) On the effective date of this act, of the amount reappropriated for the above agency by section 16 of chapter 25 of the 1982 Session Laws of Kansas from the Kansas educational building fund in the classroom, office and laboratory building—planning account, the sum of \$18,000 is hereby lapsed.

(c) There is appropriated for the above agency from the state general fund the following:

Repairs to roofing structures of buildings 704 and 714 . . . . .	\$35,000
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Sec. 7. On the effective date of this act, section 3 of chapter 30 of the 1982 Session Laws of Kansas is hereby amended to read as follows: Sec. 3.

## DEPARTMENT OF REVENUE — SCHOOL DISTRICT INCOME TAX FUND

(a) There is appropriated for the above agency from the following special revenue fund all moneys now or hereafter lawfully credited to and available in such fund, except that expenditures shall not exceed the following:

School district income tax fund . . . . .	No limit \$83,241,284
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## Sec. 8.

## UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the Kansas educational building fund the following:

Repair main chilled water line . . . . .	\$72,000
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(b) On the effective date of this act, of the \$287,000 appropriated for the above agency by section 27(c) of chapter 31 of the 1982 Session Laws of Kansas from the Kansas educational building fund in the addition to Applegate energy center—planning account, the sum of \$72,000 is hereby lapsed.

## Sec. 9.

## WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the Kansas educational building fund the following:

Remodel college of health related professions building for medical technology and physician's assistant programs . . . . .	\$77,140
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## Sec. 10.

## KANSAS STATE GRAIN INSPECTION DEPARTMENT

(a) The expenditure limitation established by the state finance council on the grain inspection fee fund is hereby decreased from \$5,417,249 to \$4,838,704.

(b) Any expenditures from the grain inspection fee fund to remit fees imposed under federal law and collected by the above

(continued)

agency for the federal grain inspection service shall be in addition to any expenditure limitation imposed on the grain inspection fee fund.

Sec. 11.

LIEUTENANT GOVERNOR

(a) Expenditures may be made by the above agency for travel and subsistence expenditures for security personnel while traveling with the lieutenant governor on official state business from the amount appropriated by section 12(a) of chapter 19 of the 1982 Session Laws of Kansas from the state general fund in the operations account.

Sec. 12.

KANSAS COMMISSION ON INTERSTATE COOPERATION

(a) Expenditures may be made from the national memberships and other operating expenditures (including official hospitality) account of the state general fund for expenses involved in hosting the 1983 annual meeting of the midwestern conference of the council of state governments and the above agency may negotiate and enter into contracts to carry out its functions as host for the 1983 annual meeting of the midwestern conference of the council of state governments. Such contracts shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto.

Sec. 13.

STATE BANK COMMISSIONER

(a) The expenditure limitation established by the state finance council on the bank commissioner fee fund is hereby decreased from \$1,504,023 to \$1,462,647.

Sec. 14.

CONSUMER CREDIT COMMISSIONER

(a) The expenditure limitation established by the state finance council on the consumer credit fee fund is hereby decreased from \$262,462 to \$255,488.

Sec. 15.

STATE DEPARTMENT OF CREDIT UNIONS

(a) The expenditure limitation established by the state finance council on the credit union fee fund is hereby decreased from \$297,184 to \$286,944.

Sec. 16.

DEPARTMENT OF ECONOMIC DEVELOPMENT

(a) The expenditure limitation established by the state finance council on the economic development planning assistance grant—federal fund is hereby increased from \$31,200 to \$39,000.

Sec. 17.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) The expenditure limitation established by the state finance council on the administrative expenses account of the Kansas public employees retirement fund is hereby decreased from \$1,856,260 to \$1,854,589.

(b) The position limitation established by section 4 of chapter 13 of the 1982 Session Laws of Kansas for the Kansas public employees retirement system is hereby increased from 52.0 to 54.0.

Sec. 18.

SAVINGS AND LOAN DEPARTMENT

(a) The expenditure limitation established by the state finance council on the savings and loan fee fund is hereby decreased from \$255,286 to \$230,380.

Sec. 19.

OFFICE OF THE SECURITIES COMMISSIONER OF KANSAS

(a) The expenditure limitation established by the state finance council on the securities act fee fund is hereby decreased from \$465,028 to \$455,314.

Sec. 20.

KANSAS BOARD OF EXAMINERS IN FITTING AND DISPENSING OF HEARING AIDS

(a) The expenditure limitation established by section 11(a) of chapter 20 of the 1982 Session Laws of Kansas on the hearing aid board fee fund is hereby increased from \$7,043 to \$7,476.

Sec. 21.

STATE BOARD OF PHARMACY

(a) The expenditure limitation established by the state finance council on the state board of pharmacy fee fund is hereby increased from \$206,168 to \$209,170.

Sec. 22.

KANSAS STATE SCHOOL FOR THE DEAF

(a) The expenditure limitation established by section 5(b) of chapter 30 of the 1982 Session Laws of Kansas on the elementary and secondary education act—federal fund is hereby increased from \$186,745 to \$226,546.

(b) The expenditure limitation established by section 5(b) of chapter 30 of the 1982 Session Laws of Kansas on the vocational education fund—federal is hereby increased from \$62,000 to \$81,175.

Sec. 23.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund the following:

Municipal university out-district state aid .....	\$172,450
Post-secondary aid for vocational education .....	369,237
Total .....	\$541,687

(b) On the effective date of this act, of the \$63,931,294 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the special education services aid account, the sum of \$622,179 is hereby lapsed.

(c) Expenditures made from the special education services aid account of the state general fund for state aid payments to any school district shall not exceed \$9,580 per eligible teaching unit.

(d) On the effective date of this act, of the \$403,150,000 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the state school equalization aid account, the sum of \$2,731,062 is hereby lapsed.

(e) On the effective date of this act, of the \$794,430 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the Fort Leavenworth school district account, the sum of \$32,226 is hereby lapsed.

(f) On the effective date of this act, of the \$5,187,798 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the community college out-district state aid entitlement account, the sum of \$201,114 is hereby lapsed.

(g) On the effective date of this act, of the \$2,790,000 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the school food assistance account, the sum of \$167,914 is hereby lapsed.

(h) The expenditure limitation established by the state finance council on the food assistance—federal fund is hereby increased from \$23,483,648 to \$28,834,550.

(i) On the effective date of this act, of the \$90,000 appropriated for the above agency by section 6(a) of chapter 30 of the 1982 Session Laws of Kansas from the state general fund in the educable deaf-blind and severely handicapped children's programs aid account, the sum of \$11,874 is hereby lapsed.

(j) On the effective date of this act, the director of accounts and reports shall transfer \$34,800 from the federal EPA 109(b) statewide operator training program fund of the department of health and environment to the educational research grants and projects fund of the department of education.

Sec. 24.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund the following:

Other operating expenditures (including official hospitality) .....	\$87,838
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(b) The expenditure limitation established by section 5(b) of chapter 25 of the 1982 Session Laws of Kansas on the general fees fund is hereby decreased from \$3,047,865 to \$2,960,027.

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Sec. 25.

STATE BOARD OF REGENTS

(a) On the effective date of this act, of the \$150,000 appropriated for the above agency by section 24(a) of chapter 31 of the 1982 Session Laws of Kansas from the state general fund in the scholarships for osteopathic medical education account, the sum of \$8,800 is hereby lapsed.

(b) There is appropriated for the above agency from the state general fund the following:

Expenses for recruiting, interviewing and selecting administrative personnel (including official hospitality) . . . . . \$25,000

Provided, That expenditures may be made from this account for actual expenditures of applicants, members of the state board of regents and designated personnel and applicants' spouses when accompanying applicants on official business: Provided further, That expenditures may be made from this account as a direct reimbursement for individual expenses or as reimbursement to the Wichita state university endowment association for expenditures made prior to the effective date of this act for the purposes for which money can be expended from this account.

Sec. 26.

KANSAS STATE SCHOOL FOR THE VISUALLY HANDICAPPED

(a) There is appropriated for the above agency from the state general fund the following:

Salaries and wages . . . . . \$30,793

(b) There is hereby appropriated for the above agency from the state institutions building fund the following:

Repair kitchen drainage system . . . . . \$42,800

(c) On the effective date of this act, any unencumbered balance in each of the following accounts of the state institutions building fund is hereby lapsed: Carpet living areas; paint and repair brickwork—maintenance engineer's building; raze smoke stack.

Sec. 27.

STATE BOARD OF AGRICULTURE

(a) The expenditure limitation established by the state finance council on the entomology fee fund is hereby increased from \$142,695 to \$149,628.

(b) The expenditure limitation established by the state finance council on the fertilizer fee fund is hereby increased from \$403,445 to \$441,268.

Sec. 28.

KANSAS ANIMAL HEALTH DEPARTMENT

(a) The expenditure limitation established by the state finance council on the livestock market fee fund is hereby decreased from \$268,868 to \$247,268.

Sec. 29.

KANSAS WATER OFFICE

(a) There is appropriated for the above agency from the state general fund the following:

Other operating expenditures—relocation expenses . . . . . \$15,062

Sec. 30. Section 3 of chapter 30 of the 1982 Session Laws of Kansas is hereby repealed.

Sec. 31.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

(a) The expenditure limitation established by the state finance council on the advisory council for vocational education—federal fund is hereby increased from \$106,644 to \$110,558.

Sec. 32.

ATTORNEY GENERAL—KANSAS BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund the following:

Other operating expenditures . . . . . \$37,000

Sec. 33.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the Kansas educational building fund the following:

Major repairs, special maintenance, remodeling: Flint hall reroofing project . . . . . \$10,838

(b) On the effective date of this act, of the amount reappropriated for the above agency by section 16 of chapter 25 of the 1982 Session Laws of Kansas from the Kansas educational building fund in the Flint hall renovation account, the sum of \$9,500 is hereby lapsed.

Sec. 34. Position limitations. The limitations imposed by this act on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations made in this act or in any appropriation act of the 1982 regular session of the legislature or in any other appropriation act of the 1983 regular session of the legislature may be exceeded upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Sec. 35. Appeals to exceed limitations. Upon written application to the governor and approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, expenditures from special revenue funds may exceed the amounts specified in this act.

Sec. 36. Effective date. 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 29, 1983.

HOUSE concurred in SENATE amendments April 6, 1983. MIKE HAYDEN Speaker of the House. GENEVA SEWARD Chief Clerk of the House.

Passed the SENATE as amended April 5, 1983. ROSS O. DOYEN President of the Senate. LU KENNEY Secretary of the Senate.

APPROVED April 21, 1983.

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 22nd day of April, 1983.

(SEAL)

JACK H. BRIER Secretary of State.

(Published in the KANSAS REGISTER, April 28, 1983.)

### HOUSE BILL No. 2114

AN ACT concerning the district court; changing the boundaries of certain judicial districts and establishing an additional judicial district; providing for the elimination of certain district magistrate judge positions and all associate district judge positions; providing for the creation of certain district judge positions; amending K.S.A. 4-202, 4-205, 4-212, 20-353 and 20-354 and K.S.A. 1982 Supp. 20-333b, 20-338 and 20-354a and K.S.A. 1982 Supp. 20-338, as amended by section 6 of this act, and repealing the existing sections; also repealing K.S.A. 20-352 and K.S.A. 1982 Supp. 20-333a and 20-333c.

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

Section 1. K.S.A. 4-202 is hereby amended to read as follows: 4-202. The counties of Atchison and Leavenworth shall constitute the first judicial district. *Subject to the provisions of K.S.A. 1982 Supp. 20-354a and amendments thereto*, there shall be two district judges and two divisions of such district court which shall be designated as division number one and division number two. *The district judge of division number one shall be a resident of Leavenworth county and the district judge of division number two shall be a resident of Atchison county of the district court of the district.*

Sec. 2. On and after July 1, 1983, K.S.A. 4-205 is hereby amended to read as follows: 4-205. The counties of Franklin, Anderson, ~~Allen, Woodson, Coffey~~ and Osage shall constitute the fourth judicial district. There shall be ~~two district judges and two divisions in such district~~. *The district judge of division number one shall be a resident of Franklin, Anderson or Osage county, and the district judge of division number two shall be a resident of Allen, Woodson or Coffey county one district judge of the district court of the district.*

Sec. 3. On and after July 1, 1983, K.S.A. 4-212 is hereby amended to read as follows: 4-212. The counties of Crawford, Cherokee, ~~Neosho, Wilson~~ and Labette shall constitute the 11th judicial district. There shall be ~~four~~ *three* district judges and ~~four~~ *three* divisions of the district court of the district. The district judges of the 11th judicial district shall hold court in the cities of Pittsburg and Girard in Crawford county, the city of Columbus in Cherokee county; ~~the cities of Erie and Chanute in Neosho county, the city of Fredonia in Wilson county and the cities of Parsons and Oswego in Labette county.~~

New Sec. 4. On and after July 1, 1983, the counties of Allen, Neosho, Wilson and Woodson shall constitute the 31st judicial district. There shall be two district judges of the district court of the district. The district judge holding office in division number two in the fourth judicial district, as that district was constituted on June 30, 1983, and the district judge holding office in division number four in the 11th judicial district, as that district was constituted on June 30, 1983, shall continue to hold office for the terms for which appointed and shall serve as district judges of the 31st judicial district for those terms and until successors are appointed and qualified. The associate district judge holding office in position four in the 11th judicial district, as that district was constituted on June 30, 1983, shall continue to hold office for the term for which appointed and shall serve as associate district judge of the 31st judicial district for that term and until a successor is appointed and qualified. The district magistrate judges holding office in positions 1 and 4 in the fourth judicial district, as that district was constituted on June 30, 1983, shall continue to hold office for the terms for which appointed and shall serve as district magistrate judges of the 31st judicial district for those terms and until successors are appointed and qualified.

The district court of the 31st judicial district shall hold court in the city of Iola in Allen county, the cities of Chanute and Erie in Neosho county, the city of Fredonia in Wilson county and the city of Yates Center in Woodson county.

Sec. 5. K.S.A. 1982 Supp. 20-333b is hereby amended to read as follows: 20-333b. All actions and proceedings pending in the district court of any county at the time ~~any~~ *the* county is transferred from one judicial district to another ~~under the provisions of this act, whether or not the issues are joined or not~~, shall proceed in the district court of the judicial district ~~in~~ *to* which the county is ~~placed by the provisions of this act transferred~~ in the same manner as if the actions and proceedings had been com-

menced in ~~the~~ *that* district, except when an action or proceeding pending in a district court has been tried and taken under advisement by a judge of the court, and is still undecided at the time the county is transferred to ~~the new~~ *a different* judicial district, ~~then~~ *it* shall be the duty of the judge who tried the cause to make and render findings and judgment on the cause and to determine all motions in the case in all respects as though the county had not been transferred to ~~the new~~ *a different* judicial district.

Sec. 6. K.S.A. 1982 Supp. 20-338 is hereby amended to read as follows: 20-338. (a) District magistrate judge positions and associate district judge positions shall be constituted as provided in subsection (b).

(b) (1) In the first judicial district, there shall be two district magistrate judge positions in Atchison county, *subject to the provisions of K.S.A. 1982 Supp. 20-354a and amendments thereto*, and two associate district judge positions in Leavenworth county.

(2) In the second judicial district, there shall be three district magistrate judge positions in the district, with position one in Jefferson county, position two in Pottawatomie county and position three in Wabaunsee county. There shall be one associate district judge position in Jackson county.

(3) In the third judicial district, there shall be five associate district judge positions in Shawnee county.

(4) In the fourth judicial district, there shall be two associate district judge positions in the district, with position one in Franklin county and position two in Anderson county. There shall be four district magistrate judge positions in the district, with position one in Allen county, position two in Coffey county, position three in Osage county and position four in Woodson county.

(5) In the fifth judicial district, there shall be one district magistrate judge position in Chase county and one associate district judge position in Lyon county.

(6) In the sixth judicial district, there shall be a district magistrate judge position in Bourbon county. There shall be two associate district judge positions in the district, with position one in Linn county and position two in Miami county.

(7) In the seventh judicial district, there shall be two associate district judge positions in Douglas county.

(8) In the eighth judicial district, there shall be two district magistrate judge positions in the district, with position one in Dickinson county and position two in Morris county. There shall be two associate district judge positions in the district, with position one in Geary county and position two in Marion county.

(9) In the ninth judicial district, there shall be two associate district judge positions in the district, with position one in Harvey county and position two in McPherson county.

(10) In the 10th judicial district, there shall be eight associate district judge positions in Johnson county.

(11) In the 11th judicial district, there shall be ~~two one~~ *one* district magistrate judge positions in the district, with position one in Cherokee county and position two in Wilson position in Cherokee county. There shall be four associate district judge positions in the district, ~~subject to the provisions of K.S.A. 1982 Supp. 20-354a.~~

(12) In the 12th judicial district, there shall be six district magistrate judge positions in the district, with position one in Cloud county, position two in Jewell county, position three in Lincoln county, position four in Mitchell county, position five in Republic county and position six in Washington county.

(13) In the 13th judicial district, there shall be one associate district judge position in Butler county. There shall be two district magistrate judge positions in the district, with position one in Elk county and position two in Greenwood county.

(14) In the 14th judicial district, there shall be two associate district judge positions in Montgomery county and one district magistrate judge position in Chautauqua county.

(15) In the 15th judicial district, there shall be one associate district judge position in Sherman county. There shall be six district magistrate judge positions in the district, with position one in Cheyenne county, position two in Logan county, position

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three in Sheridan county, position four in Wallace county, position five in Thomas county and position six in Rawlins county.

(16) In the 16th judicial district, there shall be one associate district judge position in Ford county. There shall be five district magistrate judge positions in the district, with position one in Clark county, position two in Comanche county, position three in Gray county, position four in Kiowa county and position five in Meade county.

(17) In the 17th judicial district, there shall be six district magistrate judge positions in the district, with position one in Graham county, position two in Decatur county, position three in Norton county, position four in Osborne county, position five in Phillips county and position six in Smith county.

(18) In the 18th judicial district, there shall be nine associate district judge positions in Sedgwick county.

(19) In the 19th judicial district, there shall be two associate district judge positions in Cowley county.

(20) In the 20th judicial district, there shall be one associate district judge position in Barton county. There shall be four district magistrate judge positions in the district, with position one in Ellsworth county, position two in Rice county, position three in Russell county and position four in Stafford county.

(21) In the 21st judicial district, there shall be one district magistrate judge position in Clay county and one associate district judge position in Riley county.

(22) In the 22nd judicial district, there shall be three district magistrate judge positions in the district, with position one in Doniphan county, position two in Marshall county and position three in Nemaha county. There shall be one associate district judge position in Brown county.

(23) In the 23rd judicial district, there shall be one associate district judge position in Ellis county. There shall be three district magistrate judge positions in the district, with position one in Gove county, position two in Rooks county, and position three in Trego county.

(24) In the 24th judicial district, there shall be six district magistrate judge positions in the district, with position one in Edwards county, position two in Hodgeman county, position three in Lane county, position four in Ness county, position five in Pawnee county and position six in Rush county.

(25) In the 25th judicial district, there shall be five district magistrate judge positions in the district, with position one in Greeley county, position two in Hamilton county, position three in Kearny county, position four in Scott county and position five in Wichita county. There shall be two associate district judge positions in Finney county.

(26) In the 26th judicial district, there shall be one associate district judge position in Seward county. There shall be five district magistrate judge positions in the district, with position one in Grant county, position two in Haskell county, position three in Morton county, position four in Stanton county and position five in Stevens county.

(27) In the 27th judicial district, there shall be two associate district judge positions in Reno county.

(28) In the 28th judicial district, there shall be one district magistrate judge position in Ottawa county and two associate district judge positions in Saline county.

(29) In the 29th judicial district, there shall be seven associate district judge positions in Wyandotte county.

(30) In the 30th judicial district, there shall be three associate district judge positions, with positions one and two in Sumner county and position three in Barber, Harper, Kingman or Pratt county. There shall be four district magistrate judge positions with position one in Barber county, position two in Harper county, position three in Kingman county and position four in Pratt county.

Sec. 7. On and after July 1, 1983, K.S.A. 1982 Supp. 20-338, as amended by section 6 of this act, is hereby amended to read as follows: (a) District magistrate judge positions and associate district judge positions shall be constituted as provided in subsection (b).

(b) (1) In the first judicial district, there shall be two district magistrate judge positions in Atchison county, subject to the provisions of K.S.A. 1982 Supp. 20-354a and amendments

thereto, and two associate district judge positions in ~~Leavenworth county.~~

(2) In the second judicial district, there shall be three district magistrate judge positions in the district, with position one in Jefferson county, position two in Pottawatomie county and position three in Wabaunsee county. There shall be one associate district judge position in Jackson county.

(3) In the third judicial district, there shall be five associate district judge positions in Shawnee county.

(4) In the fourth judicial district, there shall be two associate district judge positions in the district, with position one in Franklin county and position two in Anderson county. There shall be ~~four two~~ district magistrate judge positions in the district, with position one in ~~Allen Osage county;~~ and position two in Coffey county; ~~position three in Osage county and position four in Woodson county.~~

(5) In the fifth judicial district, there shall be one district magistrate judge position in Chase county and one associate district judge position in Lyon county.

(6) In the sixth judicial district, there shall be a district magistrate judge position in Bourbon county. There shall be two associate district judge positions in the district, with position one in Linn county and position two in Miami county.

(7) In the seventh judicial district, there shall be two associate district judge positions in Douglas county.

(8) In the eighth judicial district, there shall be two district magistrate judge positions in the district, with position one in Dickinson county and position two in Morris county. There shall be two associate district judge positions in the district, with position one in Geary county and position two in Marion county.

(9) In the ninth judicial district, there shall be two associate district judge positions in the district, with position one in Harvey county and position two in McPherson county.

(10) In the 10th judicial district, there shall be eight associate district judge positions in Johnson county.

(11) In the 11th judicial district, there shall be one district magistrate judge position in Cherokee county. There shall be ~~four three~~ associate district judge positions in the district.

(12) In the 12th judicial district, there shall be six district magistrate judge positions in the district, with position one in Cloud county, position two in Jewell county, position three in Lincoln county, position four in Mitchell county, position five in Republic county and position six in Washington county.

(13) In the 13th judicial district, there shall be one associate district judge position in Butler county. There shall be two district magistrate judge positions in the district, with position one in Elk county and position two in Greenwood county.

(14) In the 14th judicial district, there shall be two associate district judge positions in Montgomery county and one district magistrate judge position in Chautauqua county.

(15) In the 15th judicial district, there shall be one associate district judge position in ~~Sherman county.~~ There shall be six district magistrate judge positions in the district, with position one in Cheyenne county, position two in Logan county, position three in Sheridan county, position four in Wallace county, position five in Thomas county and position six in Rawlins county.

(16) In the 16th judicial district, there shall be one associate district judge position in Ford county. There shall be five district magistrate judge positions in the district, with position one in Clark county, position two in Comanche county, position three in Gray county, position four in Kiowa county and position five in Meade county.

(17) In the 17th judicial district, there shall be six district magistrate judge positions in the district, with position one in Graham county, position two in Decatur county, position three in Norton county, position four in Osborne county, position five in Phillips county and position six in Smith county.

(18) In the 18th judicial district, there shall be nine associate district judge positions in Sedgwick county.

(19) In the 19th judicial district, there shall be two associate district judge positions in Cowley county.

(20) In the 20th judicial district, there shall be one associate district judge position in Barton county. There shall be four

(continued)

district magistrate judge positions in the district, with position one in Ellsworth county, position two in Rice county, position three in Russell county and position four in Stafford county.

(21) In the 21st judicial district, there shall be one district magistrate judge position in Clay county and one associate district judge position in Riley county.

(22) In the 22nd judicial district, there shall be three district magistrate judge positions in the district, with position one in Doniphan county, position two in Marshall county and position three in Nemaha county. There shall be one associate district judge position in Brown county.

(23) In the 23rd judicial district, there shall be one associate district judge position in Ellis county. There shall be three district magistrate judge positions in the district, with position one in Gove county, position two in Rooks county, and position three in Trego county.

(24) In the 24th judicial district, there shall be six district magistrate judge positions in the district, with position one in Edwards county, position two in Hodgeman county, position three in Lane county, position four in Ness county, position five in Pawnee county and position six in Rush county.

(25) In the 25th judicial district, there shall be five district magistrate judge positions in the district, with position one in Greeley county, position two in Hamilton county, position three in Kearny county, position four in Scott county and position five in Wichita county. There shall be two associate district judge positions in Finney county.

(26) In the 26th judicial district, there shall be one associate district judge position in Seward county. There shall be five district magistrate judge positions in the district, with position one in Grant county, position two in Haskell county, position three in Morton county, position four in Stanton county and position five in Stevens county.

(27) In the 27th judicial district, there shall be two associate district judge positions in Reno county.

(28) In the 28th judicial district, there shall be one district magistrate judge position in Ottawa county and two associate district judge positions in Saline county.

(29) In the 29th judicial district, there shall be seven ~~eight~~ associate district judge positions in Wyandotte county.

(30) In the 30th judicial district, there shall be three associate district judge positions, with positions one and two in Sumner county and position three in Barber, Harper, Kingman or Pratt county. There shall be four district magistrate judge positions, with position one in Barber county, position two in Harper county, position three in Kingman county and position four in Pratt county.

(31) *In the 31st judicial district, there shall be one associate district judge position. There shall be two district magistrate judge positions in the district, with position one in Allen county and position two in Woodson county.*

New Sec. 8. (a) The terms of office of all associate district judges holding office on January 11, 1987, shall expire on that date and, on and after January 12, 1987, all associate district judge positions shall be abolished.

(b) On and after January 12, 1987, there is hereby created, in each judicial district, new district judge positions equal in number to the associate district judge positions abolished in the district pursuant to subsection (a).

(c) In a judicial district which elects judges of the district court:

(1) When an associate district judge of the district is elected or appointed for a term which, if not for the provisions of subsection (a), would expire on January 8, 1989, the judge shall be elected or appointed to serve through January 11, 1987, as associate district judge of the district and on and after January 12, 1987, through January 8, 1989, as district judge in one of the new positions to be created in the district by this section.

(2) The remaining new district judge positions to be created in the district by this section shall be filled by nomination and election at the state primary and general elections in 1986 in the same manner as the nomination and election of a district judge to an existing position in the district.

(d) In a judicial district which selects judges of the district court by nonpartisan selection:

(1) When an associate district judge of the district stands for retention or is appointed for a term which, if not for the provisions of subsection (a), would expire on January 8, 1989, the judge shall be retained or appointed to serve through January 11, 1987, as associate district judge of the district and on and after January 12, 1987, through January 8, 1989, as district judge in one of the new positions to be created in the district by this section.

(2) Each remaining associate district judge of the district whose term will expire January 11, 1987, shall be eligible to stand for retention at the state general election in 1986 as district judge in one of the new positions to be created in the district by this section in the same manner as an incumbent district judge in an existing position of the judicial district. If any such associate district judge does not file a declaration of candidacy for retention in office as district judge in a new position to be created by this section, the new position shall be filled in the manner provided for filling a vacancy in an existing district judge position in the judicial district.

(e) If it is provided by law that an associate district judge position eliminated pursuant to this section shall be in a particular county and if a new division of the district court is created to replace that associate district judge position, any district judge of the new division of the district court shall be required to be a resident of the county in which the former associate district judge position was located.

Sec. 9. K.S.A. 20-353 is hereby amended to read as follows: 20-353. (a) If, upon the death, resignation, retirement or removal of a district magistrate judge in any judicial district, the supreme court determines that, in order to effectively expedite the business of the district court in ~~such the judicial district, such the district magistrate judge position should be eliminated and that an additional associate district judge position should be created for the county in which such district magistrate judge served, or that an additional position of district judge or an additional division of such the district court of the judicial district should be created,~~ the supreme court shall certify to the secretary of state the elimination of the district magistrate judge position and ~~the creation of the additional associate district judge position or the creation of an additional position of district judge or division of the district court. Where such position or~~ If the position or division is to be created in a judicial district in which the proposition of nonpartisan selection of district court judges has been approved, as provided in K.S.A. 20-2901, ~~such the certification also shall be made to the chairperson of the district judicial nominating commission of such the judicial district. When such the certification has been made, such position or the position or division shall be deemed created and the judgeship therefor shall be deemed vacant, to be filled in the manner provided by law for filling vacancies in such judgeships in such the judicial district.~~

(b) An associate district judge position may be eliminated and ~~an additional position of district judge or an additional division of the district court created in any judicial district under the same circumstances and procedures as prescribed by subsection (a) for the elimination of a district magistrate judge position and the creation of an additional associate district judge position or an additional position of district judge or division of the district court. Upon the creation of such an additional position or division, it shall be deemed vacant, to be filled in the manner provided by law for filling vacancies in such judgeships in such the judicial district.~~

Sec. 10. K.S.A. 20-354 is hereby amended to read as follows: 20-354. (a) If, upon the death, resignation, retirement or removal of a district magistrate judge of a county in which there are two or more district magistrate judge positions or in which there also is at least one ~~district judge or~~ associate district judge position, the supreme court determines that the continuation of the vacant district magistrate judge position is unnecessary, due to the ability of the remaining ~~district magistrate judges or associate district judges of such county judges of the district court in the~~

(continued)

county to assume the entire judicial workload of such county the county, the supreme court shall certify the elimination of such the district magistrate judge position to the secretary of state. Where such the position to be eliminated is in a judicial district in which the proposition of nonpartisan selection of district court judges has been approved, such certification also shall be made to the chairman chairperson of the district judicial nominating commission of such the judicial district.

(b) An associate district judge position may be eliminated in any county in which there are two or more associate district judge positions under the same circumstances and procedures prescribed by subsection (a) for the elimination of a district magistrate judge position.

Sec. 11. K.S.A. 1982 Supp. 20-354a is hereby amended to read as follows: 20-354a. (a) Upon the first vacancy occurring in an associate district judge position in the 10th judicial district, the supreme court shall eliminate the position and certify its elimination as provided in K.S.A. 20-354.

(b) Upon the first vacancy occurring after the effective date of this act in an associate district judge position in the 11th judicial district, the supreme court shall eliminate the position and certify its elimination as provided in K.S.A. 20-354.

Upon the first vacancy occurring in a district magistrate judge position in the first judicial district as the result of resignation, retirement, death or removal of an incumbent, the supreme court shall eliminate the position and certify its elimination as provided in K.S.A. 20-354 and amendments thereto. Upon the second vacancy occurring in a district magistrate judge position in the first judicial district as the result of resignation, retirement, death or removal of an incumbent, the supreme court shall eliminate the position, and certify its elimination, and create an additional position of district judge of the district court of the district, and certify its creation, as provided in K.S.A. 20-353 and amendments thereto.

New Sec. 12. There shall be at least one judge of the district court in each county of this state.

Sec. 13. K.S.A. 4-202, 20-352, 20-353 and 20-354 and K.S.A. 1982 Supp. 20-333a, 20-333b, 20-333c, 20-338 and 20-354a are hereby repealed.

Sec. 14. On and after July 1, 1983, K.S.A. 4-205 and 4-212 and K.S.A. 1982 Supp. 20-338, as amended by section 6 of this act, are hereby repealed.

Sec. 15. 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, 1983.

House adopted Conference Committee report April 8, 1983.

MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 30, 1983.

Senate adopted Conference Committee report April 8, 1983.

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

APPROVED April 20, 1983.

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 22nd day of April, 1983.

(SEAL)

JACK H. BRIER  
Secretary of State.

(Published in the KANSAS REGISTER, April 28, 1983.)

#### HOUSE BILL No. 2020

AN ACT suspending and establishing statutory fund and aggregate property tax levy limitations for certain taxing subdivisions.

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

Section 1. (a) In 1983, all existing statutory fund and aggregate levy limitations on taxing subdivisions are suspended. In such year, any taxing subdivision is authorized either to levy taxes upon tangible property which produces an amount not in excess of the amount which was authorized to be levied by such taxing subdivision in the next preceding year or levy taxes upon tangible property at a rate not exceeding the existing statutory fund or aggregate levy limitation. The tax levy required to produce the amount allowed by the provisions of this subsection shall be the levy limit for 1984, 1985 and 1986 unless such tax levy is less than the existing statutory fund or aggregate levy limitation, in which case such statutory fund or aggregate levy limitation shall apply.

(b) As used in this section, "taxing subdivision" means every taxing district in the state other than the state.

(c) Nothing in this act shall apply to the limitations on aggregate tax levies imposed by the provisions of K.S.A. 79-5001 to 79-5016, inclusive.

Sec. 2. The provisions of this act shall expire on December 31, 1986.

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 April 4, 1983.

MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE April 9, 1983.

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

APPROVED April 21, 1983.

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 22nd day of April, 1983.

(SEAL)

JACK H. BRIER  
Secretary of State.



(Published in the KANSAS REGISTER, April 28, 1983.)

## SENATE BILL No. 13

AN ACT relating to the practice of nursing; concerning advanced registered nurse practitioners; providing for the issuance of certificates of qualification therefor; amending K.S.A. 65-1113, 65-1114, 65-1117, 65-1121, 65-1122 and 74-1108 and K.S.A. 1982 Supp. 65-1119, 65-1119, as amended by section 9 of this act, and 65-1120 and repealing the existing sections; and also repealing K.S.A. 65-1128 and K.S.A. 1982 Supp. 65-1119, as amended by section 3 of 1983 Senate Bill No. 362.

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

New Section 1. Sections 1 to 5, inclusive, and the acts contained in article 11 of chapter 65 of the Kansas Statutes Annotated and any acts amendatory thereof or made specifically supplemental thereto shall be construed together and may be cited as the Kansas nurse practice act.

New Sec. 2. (a) No professional nurse shall announce or represent to the public that such person is an advanced registered nurse practitioner unless such professional nurse has complied with requirements established by the board and holds a valid certificate of qualification as an advanced registered nurse practitioner in accordance with the provisions of this section.

(b) The board shall establish standards and requirements for any professional nurse who desires to obtain a certificate of qualification as an advanced registered nurse practitioner. Such standards and requirements shall include, but not be limited to, standards and requirements relating to the education and training of advanced registered nurse practitioners. The board may require that some, but not all, types of advanced registered nurse practitioners hold an academic degree beyond the minimum educational requirement for qualifying for a license to practice as a professional nurse. The board may give such examinations and secure such assistance as it deems necessary to determine the qualifications of applicants.

(c) The board shall adopt rules and regulations applicable to advanced registered nurse practitioners which:

(1) Establish categories of advanced registered nurse practitioners which are consistent with nursing practice specialties recognized by the nursing profession.

(2) Establish education, training and qualifications necessary for certification for each category of advanced registered nurse practitioner established by the board at a level adequate to assure the competent performance by advanced registered nurse practitioners of functions and procedures which advanced registered nurse practitioners are authorized to perform.

(3) Define the expanded role of advanced registered nurse practitioners and establish limitations and restrictions on such expanded role. The board shall adopt a definition of expanded role under this subsection (c)(3) which is consistent with the education, training and qualifications required to obtain a certificate of qualification as an advanced registered nurse practitioner, which protects the public from persons performing functions and procedures as advanced registered nurse practitioners for which they lack adequate education, training and qualifications and which authorizes advanced registered nurse practitioners to perform acts generally recognized by the profession of nursing as capable of being performed, in a manner consistent with the public health and safety, by persons with postbasic education in nursing. In defining such expanded role the board shall consider: (A) The training and education required for a certificate of qualification as an advanced registered nurse practitioner; (B) the type of nursing practice and preparation in specialized practitioner skills involved in each category of advanced registered nurse practitioner established by the board; (C) the scope of practice of nursing specialties and limitations thereon prescribed by national organizations which certify nursing specialties; and (D) acts recognized by the nursing profession as appropriate to be performed by persons with postbasic education and training in nursing.

New Sec. 3. Upon application to the board by any professional nurse in this state and upon satisfaction of the standards and requirements established by the board under section 2, the board may issue a certificate of qualification to such applicant authorizing the applicant to perform the duties of an advanced registered nurse practitioner as defined by the board under

section 2. The application to the board shall be upon such form and contain such information as the board may require and shall be accompanied by a fee, to be established by rules and regulations adopted by the board, to assist in defraying the expenses in connection with the issuance of certificates of qualification as advanced registered nurse practitioners, but the fee shall not be less than \$30 nor more than \$50 for an original application, and not more than \$20 for the renewal of a certificate of qualification as an advanced registered nurse practitioner. The executive administrator of the board shall remit all moneys received pursuant to this section to the state treasurer as provided by K.S.A. 74-1108 and amendments thereto.

New Sec. 4. (a) All certificates of qualification issued under the provisions of this act, whether initial or renewal, shall expire every two years. The expiration date shall be established by rules and regulations of the board. The board shall mail an application for renewal of a certificate of qualification to every advanced registered nurse practitioner at least 60 days prior to the expiration date of such person's license. Every person who desires to renew such certificate of qualification shall file with the board, on or before the date of expiration of such certificate of qualification, a renewal application together with the prescribed biennial renewal fee. Upon receipt of such application and payment of any applicable fee, and upon being satisfied that the applicant for renewal of a certificate of qualification meets the requirements established by the board under section 2 in effect at the time of initial qualification of the applicant, the board shall verify the accuracy of the application and grant a renewal certificate of qualification.

(b) Any person who fails to secure a renewal certificate of qualification prior to the expiration of the certificate of qualification may secure a renewal of such lapsed certificate of qualification by making application therefor on a form provided by the board, upon furnishing proof that the applicant is competent and qualified to act as an advanced registered nurse practitioner and upon satisfying all of the requirements for renewal set forth in subsection (a), including payment to the board of a reinstatement fee as established by the board.

(c) Any person who on June 20, 1982, held a certificate of qualification as an advanced registered nurse practitioner may secure a certificate of qualification as an advanced registered nurse practitioner under this act by making application therefor on a form provided by the board, by furnishing proof that the applicant is competent and qualified to act as an advanced registered nurse practitioner, by furnishing proof that any applicable continuing education requirement has been satisfied by the applicant and by paying to the board a fee equal to the prescribed biennial renewal fee as established by the board reduced (but not below zero) by an amount computed by dividing the fee paid for the certificate of qualification as an advanced registered nurse practitioner by the person who on June 20, 1982, held such certificate by 24 and multiplying that amount by a number equal to the number of whole months which remained after June 20, 1982, before such certificate would have expired.

New Sec. 5. (a) An accredited educational and training program for advanced registered nurse practitioners is a program conducted in Kansas which has been approved by the board as meeting the standards and the rules and regulations of the board. An institution desiring to conduct an educational and training program for advanced registered nurse practitioners shall apply to the board for accreditation and submit satisfactory proof that it is prepared to and will maintain the standards and the required curriculum for advanced registered nurse practitioners as prescribed by this act and by the rules and regulations of the board. Applications shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. The accreditation of an educational and training program for advanced registered nurse practitioners shall expire two years after the granting of such accreditation by the board. An institution desiring to continue to conduct an accredited educational and training program for advanced registered nurse practitioners shall apply to the board for the renewal of accreditation and submit satisfactory proof that it

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will maintain the standards and the required curriculum for advanced registered nurse practitioners as prescribed by this act and by the rules and regulations of the board. Applications for renewal of accreditation shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board.

(b) A program to qualify as an accredited educational and training program for advanced registered nurse practitioners must be conducted in the state of Kansas, and the school conducting the program must apply to the board and submit evidence that: (1) It is prepared to carry out the curriculum prescribed by rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by law and the rules and regulations of the board.

(c) The board shall prepare and maintain a list of programs which qualify as accredited educational and training programs for advanced registered nurse practitioners whose graduates, if they have the other necessary qualifications provided in this act, shall be eligible to apply for certificates of qualification as advanced registered nurse practitioners. A survey of the institution or school applying for accreditation of an educational and training program for advanced registered nurse practitioners shall be made by an authorized employee of the board or members of the board, who shall submit a written report of the survey to the board. If, in the opinion of the board, the requirements as prescribed by the board in its rules and regulations for accreditation are met, it shall so approve and accredit the program. From time to time, as deemed necessary by the board, it shall cause to be made a resurvey of accredited programs and written reports of such resurveys submitted to the board. If the board determines that any accredited program is not maintaining the standards required by this act and by rules and regulations prescribed by the board, notice thereof in writing, specifying the failures of such program, shall be given. A program which fails to correct such conditions to the satisfaction of the board within a reasonable time shall be removed from the list of accredited programs until such time as the program shall comply with said standards. All accredited programs shall maintain accurate and current records showing in full the theoretical and practical courses given to each student.

Sec. 6. K.S.A. 65-1113 is hereby amended to read as follows: 65-1113. When used in this act and the act of which this section is amendatory:

(a) "Board" means the board of nursing.

(b) "Diagnosis" in the context of nursing practice means that identification of and discrimination between physical and psychosocial signs and symptoms essential to effective execution and management of the nursing regimen and shall be construed as distinct from a medical diagnosis.

(c) "Treatment" means the selection and performance of those therapeutic measures essential to effective execution and management of the nursing regimen, and any prescribed medical regimen.

(d) *Practice of nursing.* (1) The practice of professional nursing as performed by a registered professional nurse for compensation or gratuitously, except as permitted by K.S.A. 65-1124 and amendments thereto, means the process in which substantial specialized knowledge derived from the biological, physical, and behavioral sciences is applied to: the care, diagnosis, treatment, counsel and health teaching of persons who are experiencing changes in the normal health processes or who require assistance in the maintenance of health or the prevention or management of illness, injury or infirmity; administration, supervision or teaching of the process as defined in this section; and the execution of the medical regimen as prescribed by a person licensed to practice medicine and surgery or a person licensed to practice dentistry. (2) The practice of nursing as a licensed practical nurse means the performance for compensation or gratuitously, except as permitted by K.S.A. 65-1124 and any amendments thereto, of tasks and responsibilities defined in part (1) of this subsection (d) which tasks and responsibilities are based on acceptable educational preparation within the framework of supportive and restorative care under the direction of a registered professional nurse, a person licensed to practice

medicine and surgery or a person licensed to practice dentistry.

(e) A "professional nurse" means a person who is licensed to practice professional nursing as defined in part (1) of subsection (d) of this section.

(f) A "practical nurse" means a person who is licensed to practice practical nursing as defined in part (2) of subsection (d) of this section.

(g) "Advanced registered nurse practitioner" or "ARNP" means a registered professional nurse who holds a certificate of qualification from the board to function as a registered professional nurse and in an expanded role, and such expanded role shall be defined by rules and regulations adopted by the board within the scope of the provisions of article 11 of chapter 65 of the Kansas Statutes Annotated and acts amending the provisions thereof and acts supplemental thereto.

(g) "Advanced registered nurse practitioner" or "ARNP" means a professional nurse who holds a certificate of qualification from the board to function as a professional nurse in an expanded role, and this expanded role shall be defined by rules and regulations adopted by the board in accordance with section 2.

Sec. 7. K.S.A. 65-1114 is hereby amended to read as follows: 65-1114. (a) It shall be unlawful for any person:

(1) To practice or to offer to practice professional nursing in this state; or

(2) to use any title, abbreviation, letters, figures, sign, card or device to indicate that any person is a registered professional nurse; or

(3) to practice or offer to practice practical nursing in this state; or

(4) to use any title, abbreviation, letters, figures, sign, card or device to indicate that any person is a licensed practical nurse, unless such person has been duly licensed under the provisions of this act. (b) It shall be unlawful for any person: (1) To practice or offer to practice as an advanced registered nurse practitioner in this state; or (2) to use any title, abbreviation, letters, figures, sign, card or device to indicate that any person is an advanced registered nurse practitioner, unless such person has been duly issued a certificate of qualification under the provisions of this act.

(b) It shall be unlawful for any person:

(1) To practice or offer to practice as an advanced registered nurse practitioner in this state; or

(2) to use any title, abbreviation, letters, figures, sign, card or device to indicate that any person is an advanced registered nurse practitioner, unless such person has been duly issued a certificate of qualification as an advanced registered nurse practitioner under the Kansas nurse practice act.

Sec. 8. K.S.A. 65-1117 is hereby amended to read as follows: 65-1117. (a) All licenses and certificates of qualification issued under the provisions of this act, whether initial or renewal, shall expire every two (2) years. The expiration date shall be established by the rules and regulations of the board. The board shall mail an application for renewal of license to every registered professional nurse, and licensed practical nurse or advanced registered nurse practitioner at least sixty (60) 60 days prior to the expiration date of such person's license. Every person so licensed who desires to renew such license or certificate of qualification shall file with the board, on or before the date of expiration of such license or certificate of qualification, a renewal application together with the prescribed biennial renewal fee. Every licensee who is no longer engaged in the active practice of nursing may so state by affidavit and submit such affidavit with the renewal application. The board shall require every licensee in the active practice of nursing within the state to submit with the renewal application evidence of satisfactory completion of a program of continuing education required by the board. The board by duly adopted rules and regulations shall establish the requirements for such program of continuing education. In establishing such requirements the board shall consider any existing programs of continuing education currently being offered to such licensees by medical care facilities. Upon receipt of such application, payment of fee, upon receipt of the

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evidence of satisfactory completion of the required program of continuing education and upon being satisfied that the applicant meets the requirements set forth in K.S.A. 65-1115 or 65-1116 and amendments thereto in effect at the time of initial licensure of the applicant, the board shall verify the accuracy of the application and grant a renewal license.

(b) Any person who shall fail to secure a renewal license or certificate of qualification within the time specified herein may secure a renewal of such lapsed license or certificate of qualification by making verified application therefor on a form provided by the board and upon furnishing proof that the applicant is competent and qualified to act as a registered professional nurse, or licensed practical nurse or an advanced registered nurse practitioner and by satisfying all of the requirements for renewal set forth in subsection (a), including payment to the board of a reinstatement fee as established by the board.

Sec. 9. K.S.A. 1982 Supp. 65-1119 is hereby amended to read as follows: 65-1119. (a) *Application for accreditation.* An accredited school of nursing is one which has been approved as such by the board as meeting the standards of this act, and the rules and regulations of the board. An institution desiring to conduct an accredited school of professional or practical nursing or an educational and training program for advanced registered nurse practitioners shall apply to the board for accreditation and submit satisfactory proof that it is prepared to and will maintain the standards and basic professional nursing curriculum or the required curriculum for practical nursing or the required curriculum for advanced registered nurse practitioners, as the case may be, as prescribed by this act and by the rules and regulations of the board. Applications shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. Except as otherwise provided in this subsection (a), the accreditation of a school of nursing shall expire two years after the granting of such accreditation by the board. An institution desiring to continue to conduct an accredited school of professional or practical nursing or an educational and training program for advanced registered nurse practitioners shall apply to the board for the renewal of accreditation and submit satisfactory proof that it will maintain the standards and basic professional nursing curriculum or the required curriculum for practical nursing or the required curriculum for advanced registered nurse practitioners, as the case may be, as prescribed by this act and by the rules and regulations of the board. Applications for renewal of accreditation shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. A school of nursing accredited on the effective date of this act shall apply to the board for renewal of accreditation prior to July 1, 1982.

(b) *Schools for professional nurses.* To qualify as an accredited school for professional nurses, the school must be conducted in the state of Kansas, and shall apply to the board and submit evidence that: (1) It is prepared to carry out the prescribed professional curriculum as prescribed in the rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by this law and the rules and regulations of the board.

(c) *Schools for practical nurses.* To qualify as an accredited school for practical nurses, the school must be conducted in the state of Kansas, and shall apply to the board and submit evidence that: (1) It is prepared to carry out the prescribed curriculum as prescribed in the rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by this law and the rules and regulations of the board.

(d) *Educational and training programs for advanced registered nurse practitioners.* A program to qualify as an accredited educational and training program for advanced registered nurse practitioners must be conducted in the state of Kansas, and the school conducting the program must apply to the board and submit evidence that: (1) It is prepared to carry out the curriculum prescribed by rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by law and the rules and regulations of the board.

(e) (d) *Survey.* The board shall prepare and maintain a list of

accredited schools for both professional and practical nurses whose graduates, if they have the other necessary qualifications provided in this act, shall be eligible to apply for a license as a registered professional nurse or as a licensed practical nurse. A survey of the institution or institutions and of the schools applying for accreditation shall be made by an authorized employee of the board or members of the board, who shall submit a written report of the survey to the board. If, in the opinion of the board, the requirements as prescribed by the board in its rules and regulations for an accredited school for professional nurses or for practical nurses are met, it shall so approve and accredit the school as either a school for professional nurses or practical nurses, as the case may be. From time to time, as deemed necessary by the board, it shall cause to be made a resurvey of accredited schools and written reports of such resurveys submitted to the board. If the board determines that any accredited school of nursing is not maintaining the standards required by this act and by rules and regulations prescribed by the board, notice thereof in writing, specifying the failures of such school, shall be given immediately to it. A school which fails to correct such conditions to the satisfaction of the board within a reasonable time shall be removed from the list of accredited schools of nursing until such time as the school shall comply with said standards. All accredited schools shall maintain accurate and current records showing in full the theoretical and practical courses given to each student.

(f) (e) *Providers of continuing education offerings.* To qualify as an approved provider of continuing education offerings, persons, organizations or institutions proposing to provide such continuing education offerings shall apply to the board for approval and submit evidence that the applicant is prepared to meet the standards and requirements established by the rules and regulations of the board for such continuing education offerings. Applications shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. Qualification as an approved provider of continuing education offerings shall expire two years after the granting of such approval by the board. A person, organization or institution desiring to continue to qualify as an approved provider of continuing education offerings shall apply to the board for renewal as an approved provider of continuing education offerings and submit satisfactory evidence that the applicant will maintain the standards and requirements established by the rules and regulations of the board for continuing education offerings. Applications for renewal as an approved provider of continuing education offerings shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board.

(g) (f) *Criteria for evaluating out-of-state schools.* For the purpose of determining whether an applicant for licensure who is a graduate of a school of professional or practical nursing located outside this state meets the requirements of item (3) of subsection (a) of K.S.A. 65-1115 and amendments thereto or the requirements of item (3) of subsection (a) of K.S.A. 65-1116 and amendments thereto, as appropriate, the board by rules and regulations shall establish criteria for determining whether a particular school of professional nursing located outside this state maintains standards which are at least equal to schools of professional nursing which are accredited by the board and whether a particular school of practical nursing located outside this state maintains standards which are at least equal to schools of practical nursing which are accredited by the board.

Sec. 10. K.S.A. 1982 Supp. 65-1120 is hereby amended to read as follows: 65-1120. (a) The board shall have the power to deny, revoke, limit or suspend any license or certificate of qualification to practice nursing as a registered professional nurse, as a licensed practical nurse or as an advanced registered nurse practitioner or as an advanced registered nurse practitioner that is issued by the board or applied for in accordance with the provisions of this act in the event that the applicant or licensee is found after hearing to have been: (1) Guilty of fraud or deceit in procuring or attempting to procure a license to practice nursing; (2) guilty of a felony if the board determines, after

(continued)

investigation, that such person has not been sufficiently rehabilitated to warrant the public trust, or of any offense involving moral turpitude; (3) unfit or incompetent by reason of negligent habits or other causes; (4) habitually intemperate in the use of alcohol or addicted to the use of habit-forming drugs; (5) mentally incompetent; (6) guilty of unprofessional conduct; or (7) has willfully or repeatedly violated any of the provisions of this act the Kansas nurse practice act or any rule and regulation adopted pursuant to that act.

(b) *Proceedings.* Upon filing of a sworn complaint with the board charging a person with having been guilty of any of the unlawful practices specified in subsection (a), two or more members of the board shall investigate such charges, or the board may designate and authorize an employee or employees of the board to conduct such investigation. After investigation, the board may institute charges. In the event such investigation, in the opinion of the board, shall reveal reasonable grounds for believing the applicant or licensee is guilty of the charges, the board shall fix a time and place for a hearing thereof and shall cause a copy of the charges, together with a notice of the time and place fixed for hearing, to be personally served on the accused at least 20 days prior to the time fixed for hearing. When personal service cannot be effected and such fact is certified on oath by any person duly authorized by the board to make service, the board shall cause to be published, once in each of two successive weeks, a notice of the hearing in a newspaper published in the county in which the accused last resided, according to the records of the board, and shall mail a copy of the charges and of such notice to the accused at the last known address of the accused. When publication of notice is necessary, the date of hearing shall not be less than 20 days after the last date of publication of the notice. At the hearing, the accused shall have the right to appear personally or by counsel, or both, to produce witnesses and evidence, to cross-examine witnesses, and to have subpoenas issued by the board. At the hearing the board shall administer oaths as may be necessary for the proper conduct of the proceedings.

(c) *Witnesses.* No person shall be excused from testifying in any proceedings before the board under this act or in any civil proceedings under this act before a court of competent jurisdiction on the ground that such testimony may incriminate the person testifying, but such testimony shall not be used against such person for any prosecution for any crime under the laws of this state except the crime of perjury as defined by K.S.A. 21-3805 and amendments thereto.

(d) *Costs.* If the order of the board is adverse to the applicant or licensee, the costs of the board's proceedings shall be charged to the applicant or licensee as in ordinary civil actions in the district court, but if the board is the unsuccessful party, the costs shall be paid by the board. Witness fees and costs may be taxed by the board according to the statutes relating to procedure in the district court. All costs accrued at the instance of the board, when it is the successful party, and which the attorney general certifies cannot be collected from the applicant or licensee shall be paid out of any available moneys in the board of nursing fee fund.

Sec. 11. K.S.A. 65-1121 is hereby amended to read as follows: 65-1121. Any person suffering legal wrong because of any order of the board refusing to issue, or revoking or suspending a nursing license or certificate of qualification certificate of qualification, and any school of nursing or educational and training program for advanced registered nurse practitioners suffering a legal wrong because of an order of the board refusing to accredit a school of nursing or educational and training program for advanced registered nurse practitioners or revoking or suspending accreditation previously granted may:

(a) Apply to the board for a rehearing in respect to such matters within ~~ten (10)~~ 10 days from the date of the service of such order, and the board shall grant or deny such rehearing within ~~ten (10)~~ 10 days from the date application therefor shall be filed with it. If a rehearing or reconsideration be granted, the matter shall be determined by the board within ~~thirty (30)~~ 30 days after the same shall be matter is submitted. No cause of

action arising out of any order of the board shall accrue to any party unless such party shall ~~make~~ makes application for rehearing as herein provided.

(b) Appeal to a court of competent jurisdiction from any such order of the board by petition filed in such court within ~~thirty (30)~~ 30 days of service of the order from which appeal is taken and serving a copy of the petition upon the secretary of the board.

Such petition shall specifically state the grounds for appeal. The secretary of the board shall promptly certify to the clerk of such court a correct and full copy of the record of the board in connection with the order, including a transcript of evidence if taken, its findings of fact, conclusions and a copy of the order. The court shall review the record of the board's proceedings of such order or decision and, in event if it finds such order or decision unlawful, arbitrary or unreasonable, may vacate or set aside such order. Procedure upon trial of such proceedings shall be the same as in other civil actions, but no party shall urge or rely upon any ground not set forth in its application for rehearing. The filing or pendency of a petition for review shall not in itself stay or suspend the operation of any order or decision of the board, but, during the pendency of such proceedings the court, in its discretion, may stay or suspend, in whole or in part, the order or decision of the board. No order of the court so staying or suspending an order or decision of the board shall be made by the court otherwise than on five (5) days' notice and after hearing and shall be based upon a finding by the court from the evidence that great or irreparable damage would result to the petitioner in the absence of such stay or suspension.

Sec. 12. K.S.A. 65-1122 is hereby amended to read as follows: 65-1122. It shall be a misdemeanor for any person, firm, corporation or association to:

(a) Sell or fraudulently obtain or furnish any nursing diploma, license, record or certificate of qualification or certificate of qualification or aid or abet therein;

(b) practice professional nursing, practical nursing or practice as an advanced registered nurse practitioner, as defined by K.S.A. 65-1113 and amendments thereto practice as an advanced registered nurse practitioner, unless duly licensed or certified certified to do so;

(c) use in connection with his or her such person's name any designation implying that he or she such person is a registered licensed professional nurse, a licensed practical nurse or an advanced registered nurse practitioner an advanced registered nurse practitioner unless duly licensed or certified certified so to practice under the provisions of this act, and such license or certificate is then in full force;

(d) practice professional nursing, practical nursing or as an advanced registered nurse practitioner as an advanced registered nurse practitioner during the time a license or certificate certificate issued under the provisions of this act shall have expired or shall have been suspended or revoked;

(e) represent that a school for nursing is accredited for educating either professional nurses or practical nurses, unless such school has been duly accredited by the board and such accreditation is then in full force; or

(f) violate any provisions of this act the Kansas nurse practice act or any rule and regulation adopted pursuant to that act.

Any person who violates this section shall be guilty of a class C misdemeanor, except that, upon conviction for of a second or subsequent offenses violation of this section, such person shall be guilty of a class B misdemeanor.

Sec. 13. K.S.A. 74-1108 is hereby amended to read as follows: 74-1108. The secretary treasurer executive administrator of the board of nursing shall remit all moneys received by or for him by the board from fees, charges or penalties to the state treasurer at least monthly. Upon receipt of any such remittance the state treasurer shall deposit the entire amount thereof in the state treasury. Twenty percent (20%) of each such deposit shall be credited to the state general fund and the balance shall be credited to the board of nursing fee fund. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued

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pursuant to vouchers approved by the president of the board or by a person or persons designated by ~~him~~ *the president*.

Sec. 14. On July 1, 1983, K.S.A. 1982 Supp. 65-1119, as amended by section 9 of this act, is hereby amended to read as follows: 65-1119. (a) *Application for accreditation.* An accredited school of nursing is one which has been approved as such by the board as meeting the standards of this act, and the rules and regulations of the board. An institution desiring to conduct an accredited school of professional or practical nursing shall apply to the board for accreditation and submit satisfactory proof that it is prepared to and will maintain the standards and basic professional nursing curriculum or the required curriculum for practical nursing, as the case may be, as prescribed by this act and by the rules and regulations of the board. Applications shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. The accreditation of a school of nursing shall expire two years after the granting of such accreditation by the board. An institution desiring to continue to conduct an accredited school of professional or practical nursing shall apply to the board for the renewal of accreditation and submit satisfactory proof that it will maintain the standards and basic professional nursing curriculum or the required curriculum for practical nursing, as the case may be, as prescribed by this act and by the rules and regulations of the board. Applications for renewal of accreditation shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board.

(b) *Schools for professional nurses.* To qualify as an accredited school for professional nurses, the school must be conducted in the state of Kansas, and shall apply to the board and submit evidence that: (1) It is prepared to carry out the professional curriculum as prescribed in the rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by this law and the rules and regulations of the board.

(c) *Schools for practical nurses.* To qualify as an accredited school for practical nurses, the school must be conducted in the state of Kansas, and shall apply to the board and submit evidence that: (1) It is prepared to carry out the curriculum as prescribed in the rules and regulations of the board; and (2) it is prepared to meet such other standards as shall be established by this law and the rules and regulations of the board.

(d) *Survey.* The board shall prepare and maintain a list of accredited schools for both professional and practical nurses whose graduates, if they have the other necessary qualifications provided in this act, shall be eligible to apply for a license as a registered professional nurse or as a licensed practical nurse. A survey of the institution or institutions and of the schools applying for accreditation shall be made by an authorized employee of the board or members of the board, who shall submit a written report of the survey to the board. If, in the opinion of the board, the requirements as prescribed by the board in its rules and regulations for an accredited school for professional nurses or for practical nurses are met, it shall so approve and accredit the school as either a school for professional nurses or practical nurses, as the case may be. From time to time, as deemed necessary by the board, it shall cause to be made a resurvey of accredited schools and written reports of such resurveys submitted to the board. If the board determines that any accredited school of nursing is not maintaining the standards required by this act and by rules and regulations prescribed by the board, notice thereof in writing, specifying the failures of such school, shall be given immediately to it. A school which fails to correct such conditions to the satisfaction of the board within a reasonable time shall be removed from the list of accredited schools of nursing until such time as the school shall comply with said standards. All accredited schools shall maintain accurate and current records showing in full the theoretical and practical courses given to each student.

(e) *Providers of continuing education offerings.* To qualify as an approved provider of continuing education offerings, persons, organizations or institutions proposing to provide such continuing education offerings shall apply to the board for ap-

proval and submit evidence that the applicant is prepared to meet the standards and requirements established by the rules and regulations of the board for such continuing education offerings. Applications shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board. Qualification as an approved provider of continuing education offerings shall expire two years after the granting of such approval by the board. A person, organization or institution desiring to continue to qualify as an approved provider of continuing education offerings shall apply to the board for renewal as an approved provider of continuing education offerings and submit satisfactory evidence that the applicant will maintain the standards and requirements established by the rules and regulations of the board for continuing education offerings. Applications for renewal as an approved provider of continuing education offerings shall be made in writing on forms supplied by the board and shall be submitted to the board together with the application fee fixed by the board.

(f) *Criteria for evaluating out-of-state schools.* For the purpose of determining whether an applicant for licensure who is a graduate of a school of professional or practical nursing located outside this state meets the requirements of item (3) (2) of subsection (a) of K.S.A. 65-1115 and amendments thereto or the requirements of item (3) (2) of subsection (a) of K.S.A. 65-1116 and amendments thereto, as appropriate, the board by rules and regulations shall establish criteria for determining whether a particular school of professional nursing located outside this state maintains standards which are at least equal to schools of professional nursing which are accredited by the board and whether a particular school of practical nursing located outside this state maintains standards which are at least equal to schools of practical nursing which are accredited by the board.

Sec. 15. K.S.A. 65-1113, 65-1114, 65-1117, 65-1121, 65-1122, 65-1128 and 74-1108 and K.S.A. 1982 Supp. 65-1119 and 65-1120 are hereby repealed.

Sec. 16. On July 1, 1983, K.S.A. 1982 Supp. 65-1119, as amended by section 9 of this act and K.S.A. 1982 Supp. 65-1119, as amended by section 3 of 1983 Senate Bill No. 362, are hereby repealed.

Sec. 17. 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 2, 1983.

Senate adopted Conference Committee report April 9, 1983.

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

Passed the HOUSE as amended March 30, 1983.

House adopted Conference Committee report April 9, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 22, 1983.

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 22nd day of April, 1983.

JACK H. BRIER  
*Secretary of State.*

(SEAL)

(Published in the KANSAS REGISTER, April 28, 1983.)

HOUSE BILL No. 2563

AN ACT making and concerning appropriations for the fiscal years ending June 30, 1983, and June 30, 1984, for university of Kansas medical center; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

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

Section 1. For the fiscal years ending June 30, 1983, and June 30, 1984, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, receipts, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

Sec. 2.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1983, the following:

Salaries and wages..... \$1,110,000

(b) On the effective date of this act, the director of accounts and reports shall transfer \$16,000 from the support for the department of family practice and for primary care outreach programs account of the state general fund to the salaries and wages account of the state general fund.

(c) On the effective date of this act, the director of accounts and reports shall transfer \$74,000 from the support for resident training opportunities account of the state general fund to the salaries and wages account of the state general fund.

Sec. 3.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Operating expenditures (including hospitality) ..... \$47,951,961

Provided, That expenditures may be made from this account to provide a pay rate differential for nursing personnel employed by the university of Kansas medical center who are employed during work periods commencing on and after 3 p.m. and ending on or before 7 a.m.: Provided further, That such pay rate differential shall be a pay increase for each such employee employed during the work period commencing at 3 p.m. and ending at 11 p.m. of an amount equal to an increase of 5% in such employee's rate of pay under the pay plan in effect under K.S.A. 75-2938 and amendments thereto or under any amendments to such pay plan: And provided further, That such pay rate differential shall be a pay increase for each such employee employed during the work period commencing at 11 p.m. and ending at 7 a.m. of an amount equal to an increase of 10% in such employee's rate of pay under the pay plan in effect under K.S.A. 75-2938 and amendments thereto or under any amendments to such pay plan: And provided further, That in no case shall such pay rate differential provide additional pay at a rate less than \$20 per hour: And provided further, That expenditures may be made from this account for the purchase of malpractice insurance for undergraduate students in training at the university of Kansas school of medicine, nursing and allied health care: And provided further, That such malpractice insurance shall be approved by the commissioner of insurance of the state of Kansas: And provided further, That expenditures may be made from this account to purchase insurance for the university aircraft: And provided further, That such insurance for the university aircraft may include public liability, physical damage, medical payments and voluntary settlement coverages.

Contractual agreements and scholarships for medical education .. 4,153,292

Total ..... \$52,105,253

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures shall not exceed the following:

General fees fund ..... \$4,459,000
Hospital revenue fund ..... 54,072,167
Restricted fees fund ..... No limit

Provided, That restricted fees shall be limited to the following accounts: Reimbursable items for patients and others; professional fees collected and remitted; salaries reimbursed by the Kansas university endowment association; postgraduate fees;

pathology fees; gift receipts; sponsored research; departmental commercial receipts: Provided, however, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: Provided further, That all restricted fees shall be used solely for the specific purpose or purposes for which collected.

Sponsored research overhead fund ..... 1,595,852

Provided, That expenditures from this fund may be made for administration, operation and development of research and for matching federal funds available for buildings and equipment that qualify for research purposes.

Parking fees fund ..... 305,132

Service clearing fund ..... No limit

Provided, That the service clearing fund shall be used only as a working capital fund to finance internal service activities rendered to the institution's own departments, other institutional related organizations, and specific organizations and classes of individuals approved by the state board of regents, for the following service activities: Print shop; computer services; purchasing storeroom; university motor pool; clothing (uniforms); food stores; renal dialysis; kidney procurement; physical plant storeroom; intravenous solutions; photo supplies: Provided, however, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend the list of service activities included in the service clearing fund: And provided further, That the director of accounts and reports shall approve the accounting procedures to insure a self-supporting operation of the service clearing fund.

College work study fund ..... No limit

Student union fees fund ..... No limit

Scholarship funds fund ..... No limit

Advances fund—department of social and rehabilitation services .. No limit

Federal aid for buildings fund ..... No limit

Bond construction funds fund ..... No limit

Health professions student loan fund—medical students ..... No limit

Health professions student loan fund—nursing students ..... No limit

Revolving student loans fund ..... No limit

1961 student center apartments revenue fund ..... No limit

1961 student center apartments bond and interest sinking fund .. No limit

Student loans fund ..... No limit

Suspense fund ..... No limit

Student center dormitory fund ..... No limit

Basic science facility—federal fund ..... No limit

Educational opportunity grant fund ..... No limit

Basic educational opportunity grant fund ..... No limit

Clinical facility bond and interest sinking fund ..... No limit

Clinical facility bond reserve fund ..... No limit

National direct student loan fund ..... No limit

Clinical facility extraordinary repair fund ..... No limit

Clinical facility discretionary fund ..... No limit

Parking facility revenue fund ..... No limit

Parking facility bond and interest sinking fund ..... No limit

Medical library private gifts fund ..... No limit

Medical library revenue fund ..... No limit

Medical library bond and interest sinking fund ..... No limit

(c) There is appropriated for the above agency from the university of Kansas hospital fund for the fiscal year ending June 30, 1984, the following:

Renovation and remodeling of facilities for the department of rehabilitation medicine ..... \$525,000

(d) On July 1, 1983, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer: (1) An amount specified by the chancellor of the university of Kansas of not to exceed \$18,000 from the general fees fund to the national direct student loan fund; and (2) an amount specified by the chancellor of the university of Kansas of not to exceed \$6,410 from the general fees fund to the health professions student loan fund—nursing students.

(e) Total expenditures during the fiscal year ending June 30, 1984, from general use funds for salaries of unclassified staff of clinical departments, excluding residents, interns, fellows and non-clinical faculty positions funded wholly from restricted fees, shall not exceed 38% of the total compensation for such employees. The proportion of general use fund salary support for any individual clinical department shall not exceed 50%, except that this 50% limitation shall not apply to the departments of family

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practice, pediatrics, psychiatry and rehabilitation medicine. The provisions of this subsection (d) shall not apply to unclassified staff of clinical departments at the university of Kansas school of medicine at Wichita.

(f) On July 1, 1983, and quarterly thereafter during fiscal year 1984, the director of accounts and reports shall transfer an amount specified by the chancellor of the university of Kansas of not to exceed \$150,000 each quarter from the hospital revenue fund to the university of Kansas hospital fund.

Sec. 4. *Position Limitations.* (a) The number of full-time and regular part-time positions equated to full-time, in the classified service, excluding seasonal and temporary positions, paid from appropriations made in this act for the fiscal year ending June 30, 1984, for the university of Kansas medical center shall not exceed 3,124.1, except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

(b) The number of full-time and regular part-time positions equated to full-time, in the unclassified service, excluding seasonal and temporary positions, paid from appropriations made in this act for the fiscal year ending June 30, 1984, for the university of Kansas medical center shall not exceed 1,342.3, except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Sec. 5. *Appeals to exceed limitations.* Upon written application to the governor and approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, expenditures from special revenue funds may exceed the amounts specified in this act for the fiscal year ending June 30, 1984.

Sec. 6. *Savings.* Any unencumbered balance in any special revenue fund, or account thereof, which is not otherwise specifically appropriated or limited by this or other appropriation act of the 1983 regular session of the legislature, is hereby reappropriated for the fiscal year ending June 30, 1984, for the same use and purpose as the same was heretofore appropriated.

Sec. 7. Any Kansas educational building fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 1983 regular session of the legislature, and having an unencumbered balance as of June 30, 1983, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 1984, for the same uses and purposes as originally appropriated unless specific provision is made for lapsing such appropriation. During the fiscal year ending June 30, 1984, amounts from one item of appropriation from the Kansas educational building fund for a project of an institution under the state board of regents may be transferred to another item of appropriation for a project at the same institution or for a project at any other institution under the state board of regents upon written application by the state board of regents, when approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except paragraph (3) of that subsection (c), and in addition upon a finding by the state finance council that the transfer requested will permit the completion of the project from which amounts are transferred without substantially changing the scope of that project and will permit or aid in the completion of the project to which the transfer is made without substantially changing the scope of that project.

Sec. 8. Any federal revenue sharing fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 1983 regular session of the legislature and having an unencumbered balance as of June 30, 1983, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 1984, for the same use and purpose as originally appropriated, unless specific provision is made for lapsing such appropriation.

Sec. 9. *Federal grants.* Each federal grant or other federal

receipt which is received by a state agency named in this act and which is not otherwise appropriated to that state agency by this or other appropriation act of the 1983 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 1984, for that state agency for the purpose set forth in such federal grant or receipt.

Sec. 10. *Effective date.* 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 4, 1983.

House adopted Conference Committee report April 9, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE as amended April 8, 1983.

Senate adopted Conference Committee report April 9, 1983.

*President of the Senate.*  
LU KENNEY  
*Secretary of the Senate.*

APPROVED April 23, 1983.

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 25th day of April, 1983.

(SEAL)  
JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER, April 28, 1983.)

#### HOUSE BILL No. 2511

AN ACT concerning the employment security law; relating to benefits, contributions and financing costs of administration; providing for certain payments by local governments thereunder; amending K.S.A. 44-712 and K.S.A. 1982 Supp. 44-706, as amended by section 3 of 1983 House Bill No. 2221, and K.S.A. 1982 Supp. 44-710a, as amended by section 5 of 1983 House Bill No. 2221, and repealing the existing sections.

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

Section 1. K.S.A. 44-712 is hereby amended to read as follows: 44-712. (a) *Establishment and control.* There is hereby established as a special fund in the state treasury, separate and apart from all public moneys or funds of this state, an employment security fund, which shall be administered by the secretary as provided in this act. This fund shall consist of (1) all contributions collected under this act; (2) all fines and penalties collected pursuant to the provisions of this act; (3) interest earned upon any moneys in the fund; (4) all moneys credited to this state's account in the federal unemployment trust fund, pursuant to section 903 of the social security act, 42 U.S.C.A. 1103, as amended; (5) any property or securities acquired through the use of moneys belonging to the fund, and all other moneys received for the fund from any other source; (6) all earnings of such property or securities. All moneys in this fund shall be mingled and undivided.

(b) *Accounts and deposits.* The state treasurer shall be ex officio custodian of the fund. Payments from the fund, and for the purposes of this act deposits with the secretary of the treasury of the United States shall not be deemed to be payments from the fund, shall be made upon warrants drawn upon the state treasurer by the director of accounts and reports upon vouchers approved by the secretary. There shall be maintained within the fund three separate accounts: (1) A clearing account; (2) an unemployment trust fund account, and (3) a benefit account. All

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money payable to the fund upon receipt thereof by the secretary, shall be forwarded to the state treasurer, who shall immediately deposit them in the state treasury to the credit of the clearing account of the fund. Refunds payable pursuant to K.S.A. 44-717, and amendments thereto, may be paid from the clearing account of the fund by warrants drawn by the director of accounts and reports upon the state treasurer upon vouchers approved by the secretary. After clearance thereof, all other moneys in the clearing account of the fund shall be immediately deposited with the secretary of the treasury of the United States of America to the credit of the account of this state in the federal unemployment trust fund established and maintained pursuant to section 904 of the social security act, 42 U.S.C.A. 1104, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. The benefit account of the fund shall consist of all moneys requisitioned from this state's account in the federal unemployment trust fund. Except as herein otherwise provided, moneys in the clearing and benefit accounts of the fund may be deposited by the state treasurer in any bank or public depository as is now provided by law for the deposit of general funds of the state, but no public deposit insurance charge or premium shall be paid out of the fund. Moneys in the clearing and benefit accounts of the fund shall not be commingled with other state funds, but shall be maintained in separate accounts on the books of the depository banks.

(c) *Withdrawals.* Moneys shall be requisitioned from this state's account in the federal unemployment trust fund solely for the payment of benefits and in accordance with the provisions of this act and the rules and regulations prescribed adopted by the secretary, except that moneys credited to this state's account pursuant to section 903 of the social security act, 42 U.S.C.A. 1103, as amended, shall be used exclusively as provided in subsection (d) of this section. The secretary shall from time to time requisition from the federal unemployment trust fund such amounts, not exceeding the amounts standing to its account therein, as deemed necessary for the payment of benefits for a reasonable future period. Upon receipt thereof the state treasurer shall deposit such moneys in the benefit account of the fund and warrants for the payment of benefits shall be charged solely against such benefit account of the fund. Expenditures of such moneys in the benefit account and refunds from the clearing account of the fund shall not be subject to any provisions of law requiring specific appropriations. Any balance of moneys requisitioned from the federal unemployment trust fund which remains unclaimed or unpaid in the benefit account of the fund after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of benefits during succeeding periods, or, in the discretion of the secretary shall be directed to be redeposited with the secretary of the treasury of the United States of America, to the credit of this state's account in the federal unemployment trust fund, as provided in subsection (b) of this section. All balances accrued from unpaid or canceled warrants issued pursuant to this section, notwithstanding the provisions of K.S.A. 10-812 shall remain in the benefit account of the fund, and be disbursed in accordance with the provisions of this act relating to such account.

(d) *Administrative use.* (1) Money credited to the account of this state in the federal unemployment trust fund by the secretary of the treasury of the United States of America, pursuant to section 903 of the social security act, 42 U.S.C.A. 1103, as amended, may be requisitioned and used for the payment of expenses incurred in the administration of this act pursuant to a specific appropriation by the legislature, provided that if expenses are incurred and the money is requisitioned after the enactment of an appropriation law which: (1) (A) Specifies the purposes for which such money is appropriated and the amounts appropriated therefor, (2) (B) limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation law, and (3) (C) limits the amount which may be obligated during a twelve-month period beginning on July 1 and ending on the next

June 30 to an amount which does not exceed the amount by which (i) the aggregate of the amounts credited to the account of this state pursuant to section 903 of the social security act, 42 U.S.C.A. 1103, as amended, during the same twelve-month period and the twenty-four (24) 34 preceding twelve-month periods, exceeds (ii) the aggregate of the amounts obligated pursuant to this subsection and amounts paid out for benefits and charged against the amounts credited to the account of this state during such twenty-five (25) 35 twelve-month periods. For the purposes of this subsection, amounts obligated during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged, except that no amount obligated for administration during any such twelve-month period may be charged against any amount credited during such twelve-month period earlier than the twenty-fourth 34th preceding such period. (A)

(2) Money credited to the account of this state pursuant to section 903 of the social security act, 42 U.S.C.A. 1103, as amended, may not be withdrawn or obligated except for the payment of benefits and for the payment of expenses for the administration of this act and of public employment offices pursuant to this subsection (d). (B)

(3) Money appropriated as provided herein by this subsection (d) for the payment of expenses of administration shall be requisitioned as needed for the payment of obligations incurred under such appropriation and, upon requisition shall be deposited in the state treasury to the credit of the employment security administration fund from which such payments shall be made. Money so deposited and credited shall, until expended, remain a part of the federal unemployment trust fund, and, if it will not be expended, shall be returned promptly to the account of this state in the federal unemployment trust fund.

(e) *Management of funds upon discontinuance of federal unemployment trust fund.* The provisions of subsections (a), (b), (c) and (d) of this section, to the extent that they relate to the federal unemployment trust fund, shall be operative only so long as such unemployment trust fund continues to exist and so long as the secretary of the treasury of the United States of America continues to maintain for this state a separate book account of all funds deposited therein by this state for benefit purposes, together with this state's proportionate share of the earnings of such unemployment trust fund, from which no other state is permitted to make withdrawals. If and when such unemployment trust fund ceases to exist, or such separate book account is no longer maintained, all moneys, properties or securities therein, belonging to the employment security fund of this state, shall be transferred to the state treasurer, to be administered by the secretary as a trust fund for the purpose of paying benefits under this act, and the pooled money investment board upon the direction of the secretary shall have authority to hold, invest, transfer, sell, deposit, and release such moneys, and any properties, securities, or earnings acquired as an incident to such administration.

Sec. 2. K.S.A. 1982 Supp. 44-706, as amended by section 3 of 1983 House Bill No. 2221, is hereby amended to read as follows: 44-706. An individual shall be disqualified for benefits:

(a) Beginning with the week in which the valid initial claim is filed and for the 10 consecutive weeks which immediately follow such week and shall forfeit benefit entitlement equal to 10 times the individual's determined weekly benefit amount, but not less than an amount equal to such individual's determined weekly benefit amount if the individual left the last work voluntarily without good cause. An individual shall have left work voluntarily with good cause for either work related or personal reasons, if:

(1) After pursuing all reasonable alternatives, the circumstances causing the separation were of such urgent, compelling or necessitous nature as to provide the individual with no alternative but to leave the work voluntarily; or

(2) the reasons for the separation were of such nature that a reasonable and prudent individual would separate from the employment under the same circumstances. If an individual leaves work by the individual's own action because of domestic

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or family responsibilities, not including pregnancy, self-employment or to retire because of disability or old age, or to attend school such individual shall be disqualified for benefits until such individual again becomes employed and has had earnings of at least eight times such individual's weekly benefit amount. No individual shall be denied benefits for leaving work to enter training approved under section 236(a)(1) of the trade act of 1974, provided the work left is not of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the trade act of 1974), and wages for such work are not less than 80% of the individual's average weekly wage as determined for the purposes of the trade act of 1974.

(b) Beginning with the week in which the valid initial claim is filed and for the 10 consecutive weeks which immediately follow such week and shall forfeit benefit entitlement equal to 10 times the individual's determined weekly benefit amount, but not less than an amount equal to such individual's determined weekly benefit amount if the individual has been discharged from the individual's last work for a breach of a duty connected with the individual's work reasonably owed an employer by an employee, except that if an individual is discharged for gross misconduct connected with the individual's work, such individual shall be disqualified for benefits until such individual again becomes employed and has had earnings of at least eight times such individual's weekly benefit amount. The term "gross misconduct" as used in this subsection shall be construed to mean conduct evincing willful and wanton disregard of an employer's interest or a carelessness or negligence of such degree or recurrence as to show an intentional or substantial disregard of the employer's interest.

(c) If the individual has failed, without good cause, to either apply for suitable work when so directed by the employment office of the secretary of human resources, or to accept suitable work when offered to the individual by the employment office, the secretary of human resources, or an employer, such disqualification shall begin with the week in which such failure occurred and for the 10 consecutive weeks which immediately follow such week and shall forfeit benefit entitlement equal to 10 times the individual's determined weekly benefit amount but not less than an amount equal to such individual's determined weekly benefit amount. In determining whether or not any work is suitable for an individual, the secretary of human resources, or a person or persons designated by the secretary, shall consider the degree of risk involved to health, safety, and morals, physical fitness and prior training, experience and prior earnings, length of unemployment and prospects for securing local work in the individual's customary occupation or work for which the individual is reasonably fitted by training or experience, and the distance of the available work from the individual's residence. Notwithstanding any other provisions of this act, an otherwise eligible individual shall not be disqualified for refusing an offer of suitable employment, or failing to apply for suitable employment when notified by an employment office, or for leaving the individual's most recent work accepted during approved training, including training approved under section 236(a)(1) of the trade act of 1974, if the acceptance of or applying for suitable employment or continuing such work would require the individual to terminate approved training and no work shall be deemed suitable and benefits shall not be denied under this act to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (1) If the position offered is vacant due directly to a strike, lockout, or other labor dispute; (2) if the remuneration, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality; (3) if as a condition of being employed, the individual would be required to join or to resign from or refrain from joining any labor organization.

(d) For any week with respect to which the secretary of human resources, or a person or persons designated by the secretary, finds that the individual's unemployment is due to a stoppage of work which exists because of a labor dispute or there would have been a work stoppage had normal operations not

been maintained with other personnel previously and currently employed by the same employer at the factory, establishment, or other premises at which the individual is or was last employed, except that this subsection shall not apply if it is shown to the satisfaction of the secretary of human resources, or a person or persons designated by the secretary, that: (1) The individual is not participating in or financing or directly interested in the labor dispute which caused the stoppage of work; and (2) the individual does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs any of whom are participating in or financing or directly interested in the dispute. If in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purpose of this subsection, be deemed to be a separate factory, establishment, or other premises. For the purposes of this subsection, failure or refusal to cross a picket line or refusal for any reason during the continuance of such labor dispute to accept the individual's available and customary work at the factory, establishment, or other premises where the individual is or was last employed shall be considered as participation and interest in the labor dispute.

(e) For any week with respect to which or a part of which the individual has received or is seeking unemployment benefits under the unemployment compensation law of any other state or of the United States, except that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such unemployment benefits, this disqualification shall not apply.

(f) For any week with respect to which the individual is entitled to receive any unemployment allowance or compensation granted by the United States under an act of congress to ex-service men and women in recognition of former service with the military or naval services of the United States.

(g) For the period of one year beginning with the first day following the last week of unemployment for which the individual received benefits, or for one year from the date the act was committed, whichever is the later, if the individual, or another in such individual's behalf with the knowledge of the individual, has knowingly made a false statement or representation, or has knowingly failed to disclose a material fact to obtain or increase benefits under this act or any other unemployment compensation law administered by the secretary of human resources.

(h) For any week with respect to which the individual is receiving compensation for temporary total disability or permanent total disability under the workmen's compensation law of any state or under a similar law of the United States.

(i) For any week of unemployment on the basis of service in an instructional, research or principal administrative capacity for an educational institution as defined in subsection (v) of K.S.A. 44-703 and amendments thereto, if such week begins during the period between two successive academic years or terms or, when an agreement provides instead for a similar period between two regular but not successive terms during such period or during a period of paid sabbatical leave provided for in the individual's contract, if the individual performs such services in the first of such academic years or terms and there is a contract or a reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms.

(j) For any week of unemployment on the basis of service in any capacity other than service in an instructional, research, or administrative capacity in an educational institution other than an institution of higher education, as such terms are defined in subsections (u) and subsection (v) of K.S.A. 44-703 and amendments thereto, if such week begins during the period between two successive academic years or during a similar period between two regular terms, whether or not successive, if the individual has a contract or contracts, or a reasonable assurance thereof, to perform services in any such capacity for any educational institution other than an institution of higher education for

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both such academic years or both such terms if the individual performs such services in the first of such academic years or terms and there is a reasonable assurance that the individual will perform such services in the second of such academic years or terms, except that if benefits are denied to the individual under this subsection and the individual was not offered an opportunity to perform such services for the educational institution for the second of such academic years or terms, such individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this subsection.

(k) For any week of unemployment on the basis of service in an instructional, research or principal administrative capacity for an educational institution as defined in subsection (v) of K.S.A. 44-703 and amendments thereto, or for service in any other capacity in an educational institution other than an institution of higher education as defined in subsection (u) of K.S.A. 44-703 and amendments thereto, if such week begins during an established and customary vacation period or holiday recess if the individual performs services in the period immediately before such vacation period or holiday recess and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess.

(l) For any week of unemployment on the basis of any services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, if such week begins during the period between two successive sport seasons or similar period if such individual performed services in the first of such seasons or similar periods and there is a reasonable assurance that such individual will perform such services in the later of such seasons or similar periods.

(m) For any week on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time such services were performed, was lawfully present for purposes of performing such services, or was permanently residing in the United States under color of law at the time such services were performed, including an alien who was lawfully present in the United States as a result of the application of the provisions of section 203(a)(7) or section 212(d)(5) of the federal immigration and nationality act. Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits. In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of such individual's alien status shall be made except upon a preponderance of the evidence.

(n) For any week in which an individual is receiving a governmental or other pension, retirement or retired pay, annuity or other similar periodic payment under a plan maintained by a base period employer and to which the entire contributions were provided by such employer, except that: (1) If the entire contributions to such plan were provided by the base period employer but such individual's weekly benefit amount exceeds such governmental or other pension, retirement or retired pay, annuity or other similar periodic payment attributable to such week, the weekly benefit amount payable to the individual shall be reduced (but not below zero) by an amount equal to the amount of such pension, retirement or retired pay, annuity or other similar periodic payment which is attributable to such week; or (2) if only a portion of contributions to such plan were provided by the base period employer, the weekly benefit amount payable to such individual for such week shall be reduced (but not below zero) by the prorated weekly amount of the pension, retirement or retired pay, annuity or other similar periodic payment after deduction of that portion of the pension, retirement or retired pay, annuity or other similar periodic payment that is directly attributable to the percentage of the contributions made to the plan by such individual; or (3) if the entire contributions to the plan were provided by such individual, or by the individual and an employer (or any person or organization)

who is not a base period employer, no reduction in the weekly benefit amount payable to the individual for such week shall be made under this subsection (n); or (4) whatever portion of contributions to such plan were provided by the base period employer, if the services performed for the employer by such individual during the base period, or remuneration received for the services, did not affect the individual's eligibility for, or increased the amount of, such pension, retirement or retired pay, annuity or other similar periodic payment, no reduction in the weekly benefit amount payable to the individual for such week shall be made under this subsection (n). The conditions specified in clause (4) of this subsection (n) shall not apply to payments made under the social security act or the railroad retirement act of 1974, or the corresponding provisions of prior law. Payments made under these acts shall be treated as otherwise provided in this subsection (n). If the reduced weekly benefit amount is not a multiple of \$1, it shall be computed to the next higher multiple of \$1, except that for new claims filed after June 30, 1983, it shall be reduced to the next lower multiple of \$1.

Sec. 3. K.S.A. 1982 Supp. 44-710a, as amended by section 5 of 1983 House Bill No. 2221, is hereby amended to read as follows: 44-710a. (a) *Classification of employers by the secretary.* The term "employer" as used in this section refers to contributing employers. The secretary shall classify employers in accordance with their actual experience in the payment of contributions on their own behalf and with respect to benefits charged against their accounts with a view of fixing such contribution rates as will reflect such experience. If, as of the date such classification of employers is made, the secretary finds that any employing unit has failed to file any report required in connection therewith, or has filed a report which the secretary finds incorrect or insufficient, the secretary shall make an estimate of the information required from such employing unit on the basis of the best evidence reasonably available to the secretary at the time, and notify the employing unit thereof by mail addressed to its last-known address. Unless such employing unit shall file the report or a corrected or sufficient report as the case may be, within 15 days after the mailing of such notice, the secretary shall compute such employing unit's rate of contributions on the basis of such estimates, and the rate as so determined shall be subject to increase but not to reduction on the basis of subsequently ascertained information. The secretary shall determine the contribution rate of each employer in accordance with the requirements of this section.

(1) *New employers.* (A) No employer will be eligible for a rate computation until there have been 24 consecutive calendar months immediately preceding the computation date throughout which benefits could have been charged against such employer's account.

(B) (i) Effective January 1, 1983, employers which who are not eligible for a rate computation shall pay contributions at an assigned rate equal to the sum of 1% plus the greater of the average rate assigned in the preceding calendar year to all employers in such industry division or the average rate assigned to all covered employers during the preceding calendar year, except that in no instance shall any such assigned rate be less than 2%. Employers engaged in more than one type of industrial activity shall be classified by principal activity. All rates assigned will remain in effect for a complete calendar year. If the sale or acquisition of a new establishment would require reclassification of the employer to a different industry division, the employer would be promptly notified, and the contribution rate applicable to the new industry division would become effective the following January 1.

(ii) For purposes of this subsection (a), employers shall be classified by industrial activity in accordance with standard procedures as set forth in rules and regulations adopted by the secretary.

(C) "Computation date" means: June 30 of each calendar year with respect to rates of contribution applicable to the calendar year beginning with the following January 1. In arriving at contribution rates for each calendar year, contributions paid on or before July 31 following the computation date for employment

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occurring on or prior to the computation date shall be considered for each contributing employer who has been subject to this act for a sufficient period of time to have such employer's rate computed under this subsection (a).

(2) **Eligible employers.** (A) A reserve ratio shall be computed for each eligible employer by the following method: Total benefits charged to the employer's account for all past years shall be deducted from all contributions paid by such employer for all such years. The balance, positive or negative, shall be divided by the employer's average annual payroll, and the result shall constitute the employer reserve ratio.

(B) Negative account balance employers as defined in subsection (d) shall pay contributions at the rate of 5.4% for calendar year 1983 and all years thereafter.

(C) Eligible employers, other than negative account balance employers, who do not meet the average annual payroll requirements as stated in subsection (a)(2) of K.S.A. 44-703 and amendments thereto, will be issued the maximum rate indicated in subsection (a)(3)(C) of this section until an average annual payroll can be obtained. Contribution rates effective for each calendar year thereafter shall be determined as prescribed below.

(D) As of each computation date, the total of the taxable wages paid during the twelve-month period prior to the computation date by all employers eligible for rate computation, except negative account balance employers, shall be divided into 21 approximately equal parts designated in column A of schedule I as "rate groups." The lowest numbered of such rate groups shall consist of the employers with the most favorable reserve ratios, as defined in this section, whose combined taxable wages paid are less than 4.76% of all taxable wages paid by all eligible employers. Each succeeding higher numbered rate group shall consist of employers with reserve ratios that are less favorable than those of employers in the preceding lower numbered rate groups and whose taxable wages when combined with the taxable wages of employers in all lower numbered rate groups equal the appropriate percentage of total taxable wages designated in column B of schedule I. Each eligible employer, other than a negative account balance employer, shall be assigned an experience factor designated under column C of schedule I in accordance with the rate group to which the employer is assigned on the basis of the employer's reserve ratio and taxable payroll. If an employer's taxable payroll falls into more than one rate group the employer shall be assigned the experience factor of the lower numbered rate group. If one or more employers have reserve ratios identical to that of the last employer included in the next lower numbered rate group, all such employers shall be assigned the experience factor designated to such last employer, notwithstanding the position of their taxable payroll in column B of schedule I.

SCHEDULE I — Eligible Employers

Column A Rate group	Column B Cumulative taxable payroll	Column C Experience factor (Ratio to total wages)
1	Less than 4.76%	.025%
2	4.76% but less than 9.52	.1
3	9.52 but less than 14.28	.2
4	14.28 but less than 19.04	.3
5	19.04 but less than 23.80	.4
6	23.80 but less than 28.56	.5
7	28.56 but less than 33.32	.6
8	33.32 but less than 38.08	.7
9	38.08 but less than 42.84	.8
10	42.84 but less than 47.60	.9
11	47.60 but less than 52.36	1.0
12	52.36 but less than 57.12	1.1
13	57.12 but less than 61.88	1.2
14	61.88 but less than 66.64	1.3
15	66.64 but less than 71.40	1.4
16	71.40 but less than 76.16	1.5
17	76.16 but less than 80.92	1.6
18	80.92 but less than 85.68	1.7
19	85.68 but less than 90.44	1.8
20	90.44 but less than 95.20	1.9
21	95.20 and over	2.0

(E) **Negative account balance employers shall, in addition to paying the rate provided for in subsection (a)(2)(B) of this section, pay a surcharge based on the size of the employer's**

**negative reserve ratio, the calculation which is provided for in subsection (a)(2) of this section. The amount of the surcharge shall be determined from column B of schedule II of this section. Each negative account balance employer who does not satisfy the requirements to have an average annual payroll, as defined by subsection (a)(2) of K.S.A. 44-703 and amendments thereto, shall be assigned a surcharge of 1%. Contribution payments made pursuant to this subsection (a)(2)(E) shall be credited to the appropriate account of such negative account balance employer.**

SCHEDULE II — Surcharge on Negative Accounts

Column A Negative Reserve Ratio	Column B Surcharge as a percent of taxable wages
Less than 2.0%	0.10%
2.0% but less than 4.0	.30
4.0 but less than 6.0	.30
6.0 but less than 8.0	.40
8.0 but less than 10.0	.50
10.0 but less than 12.0	.60
12.0 but less than 14.0	.70
14.0 but less than 16.0	.80
16.0 but less than 18.0	.90
18.0 and over	1.00

(3) **Planned yield.** (A) The average required yield shall be determined from schedule H III of this section, and the planned yield on total wages in column B of schedule H III shall be determined by the reserve fund ratio in column A of schedule H III. The reserve fund ratio shall be determined by dividing total assets in the employment security fund provided for in subsection (a) of K.S.A. 44-712, excluding all moneys credited to the account of this state pursuant to section 903 of the social security act, as amended, which have been appropriated by the state legislature, whether or not withdrawn from the trust fund, and excluding contributions not yet paid on July 31 by total payrolls for contributing employers for the preceding fiscal year which ended June 30.

SCHEDULE H III — Fund Control  
Ratios to Total Wages

Column A Reserve Fund Ratio	Column B Planned Yield
5.00% and over	0.40%
4.75 but less than 5.00%	.50
4.50 but less than 4.75	.60
4.25 but less than 4.50	.70
4.00 but less than 4.25	.80
3.75 but less than 4.00	.85
3.50 but less than 3.75	.90
3.25 but less than 3.50	.95
3.00 but less than 3.25	1.00
2.75 but less than 3.00	1.05
2.50 but less than 2.75	1.10
2.25 but less than 2.50	1.15
2.00 but less than 2.25	1.20
1.75 but less than 2.00	1.30
1.50 but less than 1.75	1.40
1.25 but less than 1.50	1.50
1.00 but less than 1.25	1.60
Less than 1.00%	1.70

(B) **Adjustment to taxable wages.** The planned yield as a percent of total wages, as determined in this subsection (a)(3), shall be adjusted to taxable wages by multiplying by the ratio of total wages to taxable wages for all contributing employers for the preceding fiscal year ending June 30.

(C) **Effective rates.** Except with regard to rates for negative account balance employers, employer contribution rates to be effective for the ensuing calendar year shall be computed by adjusting proportionately the experience factors from schedule I of this section to the required yield on taxable wages. For the purposes of this subsection (a)(3), all rates computed shall be rounded to the nearest .01% and for calendar year 1983 and ensuing calendar years, the maximum effective contribution rate shall not exceed 5.4%.

(b) **Successor classification.** (1) For the purposes of this subsection (b), whenever an employing unit, whether or not it is an "employing unit" within the meaning of subsection (g) of K.S.A. 44-703 and amendments thereto, becomes an employer pursuant to subsection (h)(4) of K.S.A. 44-703 and amendments thereto or

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is an employer at the time of acquisition and meets the definition of a "successor employer" as defined by subsection (dd) of K.S.A. 44-703 and amendments thereto and is controlled substantially either directly or indirectly by legally enforceable means or otherwise by the same interest or interests, shall acquire the experience rating factors of the predecessor employer. These factors consist of all contributions paid, benefit experience and annual payrolls of the predecessor employer.

(2) A successor employer as defined by subsection (h)(4) or subsection (dd) of K.S.A. 44-703 and amendments thereto may receive the experience rating factors of the predecessor employer if an application is made to the secretary or the secretary's designee in writing within 120 days of the date of the transfer.

(3) Whenever an employing unit, whether or not it is an "employing unit" within the meaning of subsection (g) of K.S.A. 44-703 and amendments thereto, acquires or in any manner succeeds to a percentage of an employer's annual payroll which is less than 100% and intends to continue the acquired percentage as a going business, may acquire the same percentage of the predecessor's experience factors if: (A) The predecessor employer and successor employing unit make an application in writing on the form prescribed by the secretary, (B) the application is submitted within 120 days of the date of the transfer, (C) the successor employing unit is or becomes an employer subject to this act immediately after the transfer, (D) the percentage of the experience rating factors transferred shall not be thereafter used in computing the contribution rate for the predecessor employer, and (E) the secretary finds that such transfer will not tend to defeat or obstruct the object and purposes of this act.

(4) If the acquiring employing unit was an employer subject to this act prior to the date of the transfer, the rate of contribution for the period from such date to the end of the then current contribution year shall be the same as the contribution rate prior to the date of the transfer. An employing unit which was not subject to this act prior to the date of the transfer shall have a newly computed rate based on the transferred experience rating factors as of the computation date immediately preceding the date of acquisition. These experience rating factors consist of all contributions paid, benefit experience and annual payrolls.

(5) Whenever an employer's account has been terminated as provided in subsections (d) and (e) of K.S.A. 44-711 and amendments thereto and the employer continues with employment to liquidate the business operations, that employer shall continue to be an "employer" subject to the employment security law as provided in subsection (h)(8) of K.S.A. 44-703 and amendments thereto. The rate of contribution from the date of transfer to the end of the then current calendar year shall be the same as the contribution rate prior to the date of the transfer. At the completion of the then current calendar year, the rate of contribution shall be that of a "new employer" as described in subsection (a)(1) of K.S.A. 44-710a and amendments thereto.

(6) No rate computation will be permitted an employing unit succeeding to the experience of another employing unit pursuant to this section for any period subsequent to such succession except in accordance with rules and regulations adopted by the secretary. Any such regulations shall be consistent with federal requirements for additional credit allowance in section 3303 of the internal revenue code, and consistent with the provisions of this act.

(c) *Voluntary contributions.* Notwithstanding any provision of this act or the act of which this act is amendatory, any employer may make voluntary payments for the purpose of reducing or maintaining a reduced rate in addition to the contributions required under this section. Such voluntary payments may be made only during the thirty-day period immediately following the date of mailing of experience rating notices for a calendar year. All such voluntary contribution payments shall be paid prior to the expiration of 120 days after the beginning of the year for which such rates are effective. The amount of voluntary contributions shall be credited to the employer's account as of the next preceding computation date and the employer's rate shall be computed accordingly, except that no employer's rate shall be reduced more than ~~one rate group two rate groups~~ as provided in schedule I of this section as the result of a voluntary

payment. An employer not having a negative account balance may have such employer's rate reduced not more than ~~one rate group two rate groups~~ as provided in schedule I of this section as a result of a voluntary payment. An employer having a negative account balance may have such employer's rate reduced to that prescribed for rate group 21 of schedule I of this section by making a voluntary payment in the amount of such negative account balance or to that rate prescribed for rate group 20 of schedule I of this section by making an additional voluntary payment that would increase such employer's reserve ratio to the lower limit required for such rate group 20. Under no circumstances shall voluntary payments be refunded in whole or in part.

(d) As used in this section, "negative account balance employer" means an eligible employer whose total benefits charged to such employer's account for all past years have exceeded all contributions paid by such employer for all such years.

New Sec. 4. Any expenditures made during calendar year 1983 or calendar year 1984 by a local governmental entity for payments to the employment security fund as a contributing employer, rated governmental employer or reimbursing employer under the employment security law shall be exempt from the budget law of this state if such expenditures could not have been anticipated at the time the budget for such years was prepared. The governing body of the local governmental entity may issue no-fund warrants in amounts sufficient to make such expenditures. Such warrants shall be authorized, issued, registered and redeemed in the manner prescribed by K.S.A. 79-2940 and amendments thereto and shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009 and amendments thereto. Such warrants may be issued without the approval of the state board of tax appeals.

Sec. 5. K.S.A. 44-712 and K.S.A. 1982 Supp. 44-706, as amended by section 3 of 1983 House Bill No. 2221, and K.S.A. 1982 Supp. 44-710a, as amended by section 5 of 1983 House Bill No. 2221, 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 9, 1983.

House adopted Conference Committee report April 6, 1983.

MIKE HAYDEN  
Speaker of the House.  
GENEVA SEWARD  
Chief Clerk of the House.

Passed the SENATE as amended March 24, 1983.  
Senate adopted Conference Committee report April 5, 1983.

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

APPROVED April 21, 1983.

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 22nd day of April, 1983.

(SEAL) JACK H. BRIER  
Secretary of State.



(Published in the KANSAS REGISTER, April 28, 1983.)

HOUSE BILL No. 2499

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.

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

Section 1. For the fiscal year ending June 30, 1983, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, disbursements, procedures and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

Sec. 2. The department of revenue is hereby authorized and directed to pay the following amounts from the motor-vehicle fuel tax refund fund, for claims not filed within the statutory filing period prescribed in K.S.A. 79-3458, to the following claimants:

Ahlquist, Charles, Route 1, Tescott, KS 67484	\$ 47.88
Akers, Wendell, Route 2, Box 151, McPherson, KS 67460	72.00
Alexander, Eugene, Route 2, Box 141A, Belle Plaine, KS 67013	128.66
Allen, Darrell, Hoxie, KS 67740	231.98
Anderson, Gary C., Route 2, Plainville, KS 67663	112.61
Anderson, Lawrence L., Route 1, Osage City, KS 66523	15.77
Argo, Stephen E., R.F.D., Vermillion, KS 66544	70.00
Baker, Joseph, Route 1, Haddam, KS 66944	56.88
Baldwin, Emma R., Route 2, Mound City, KS 66056	42.19
Balfay, Julian, St. Paul, KS 66771	42.55
Barker, George W., 1202 N. Lafayette, Chanute, KS 66720	36.00
Bates, Brian, Route 1, Box 87, Alton, KS 67623	31.68
Bates, Daryl Gene, Route 2, Oskaloosa, KS 66066	32.40
Bauer, Charles C., Route 1, Lyons, KS 67554	150.84
Beck, C. W., Route 1, Box 84A, Oskaloosa, KS 66066	30.53
Beckmann, Fred, Athol, KS 66932	190.01
Beim, John A., Route 3, Phillipsburg, KS 67661	230.40
Benyshek, Lawrence, Cuba, KS 66940	15.26
Bergin, Wayne W., Route 1, Clay Center, KS 67432	45.29
Bernasek, Gene, Route 2, Beattie, KS 66406	223.27
Beyrle, L. E., Andale, KS 67001	22.90
Bichelmeyer, John F., 6120 Pflumm Rd., Shawnee, KS 66216	25.52
Bitterlin, Wm., Route 1, Milford, KS 66514	66.96
Blanchat, Bill, Danville, KS 67036	178.63
Bledsoe Rental, Cecil D. Wright, President, 7740 Metcalf, Overland Park, KS 66204	862.16
Boeckman, Lucille, Route 2, Goff, KS 66428	91.94
Bollig, Gilbert E., Route 2, Box 38, Clayton, KS 67629	50.40
Bossi Bros., Route 2, Arkansas City, KS 67005	199.51
Bowles, Lyle W., Box 232, Atwood, KS 67730	39.60
Bowser, Robert J., Route 1, Meriden, KS 66512	167.62
Boyd, Darrel E., Route 1, Beattie, KS 66406	114.19
Bradford, Ben, Route 2, Walnut, KS 66780	127.01
Brammer, Eugene, 7150 N. W. 54th St., Topeka, KS 66618	66.38
Braun, Bernard H., Route 2, Norton, KS 67654	194.62
Brewer, Paul H., Mt. Hope, KS 67108	21.60
Brookridge Country Club, by John R. Arnold, 8223 West 103rd, Overland Park, KS 66212	158.62
Brooks, Wilbur W., Route 1, Kincaid, KS 66039	193.68
Brooks Farms, Inc., Route 1, Clayton, KS 67629	297.00
Brown County Cooperative Assn., Don V. Knudson, President, Route 5, Hiawatha, KS 66434	103.68
Brunsell, DeLon, Route 1, Box 46, Lindsborg, KS 67456	43.63
Bryan, Floyd B., Route 3, Box 51, Oberlin, KS 67749	27.20
Bulmer, Lee M., Route 2, Quenemo, KS 66528	39.53
Burian, Kenneth M., Kirwin, KS 67644	82.01
Button, Forrest H., Rozel, KS 67574	43.36
Byers, Lewis and Jesse, Route 2, Dodge City, KS 67801	144.00
Call, Inc., d/b/a Call Rental Center, 325 South Kansas, Liberal, KS 67901	62.86
Charvet, Tony, Garden Plain, KS 67050	70.63
Clinton Marina, Inc., M. Mark Retonde, General Manager, Route 5, Box 118A, Lawrence, KS 66044	502.49
Combs, Leland, Route 1, Deerfield, KS 67846	66.17
Conn, Keith, Randall, KS 66963	275.76
Constable, Dean, Blue Rapids, KS 66411	151.42
Cooper, Gary W., R.F.D., Richmond, KS 66080	235.08
Corwin, Merlin E., Quinter, KS 67752	14.40
Cox, Joe E., Box 231, Elk City, KS 67344	35.28
Crist, Mike, Route 2, Garnett, KS 66032	172.58
Cromwell, Dean, Haddam, KS 66944	30.24
Dague, Alice H., Route 1, Washington, KS 66968	17.78
David Farms, Lyman David, Lenora, KS 67645	370.73
Davies Bros., Dale M. Davies, Reading, KS 66868	1,351.66
Decker, James E. and Son, 103 W. Jay, Mankato, KS 66956	103.68
Decker, Larry R., Route 2, Colony, KS 66015	530.50
Deeds, James W., Route 2, Box 126, Montezuma, KS 67867 (\$37.37 and \$37.01)	74.38

Deiter, Howard, Maple Hill, KS 66507	138.34
DeKalb Hybrid Wheat, Inc., c/o Rita Troeger, 3100 Sycamore Road, DeKalb, Illinois 60115	60.84
Denlinger, Anna K., Route 1, Frankfort, KS 66427	62.86
Dettmer, Elmer L., Route 1, Box 54, Randolph, KS 66554	40.25
Diamond International Corp., Ray J. Smith, P.O. Box 1170, Lawrence, KS 66044	32.69
Diederich, Allen, Route 3, Oberlin, KS 67749	45.36
Dillon, Ralph E., Route 2, Box 25, Hope, KS 67451	180.86
Dittbrenner, Arnold, Greenleaf, KS 66943	39.60
Donovan, Pat, Route 1, Norton, KS 67654	89.53
Ebert Construction Co., Inc., Box 198, Wamego, KS 66547	994.03
Emery, Ben F., Jr., Route 1, Lecompton, KS 66050	28.80
Engels, Joe, 2800 S. 127th St., E., Wichita, KS 67210	37.15
Epard Farms, Eleanor or Richard, 525 Austin, Colby, KS 67701	22.03
Fabrizius Farm Account, Route 2, Box 30, Wakeeney, KS 67672	127.08
Falk, Orlin, Wheaton, KS 66551	58.03
Farr, Lloyd V., Route 4, Box 154, Emporia, KS 66801	147.53
Fisher, C. O., Lewis, KS 67551	63.36
Foley, J. Lowell, 704 N. First, Norton, KS 67654	43.20
Foltz, Joe, Route 3, Abilene, KS 67410	35.83
Fortman, Benjamin L., Route 1, Pleasanton, KS 66075	469.73
Fortman, Donald L., Route 1, Pleasanton, KS 66075	337.53
Fouser Farms, Inc., Box 416, Scott City, KS 67871	149.26
Fuller, James F., Hoyt, KS 66440	102.02
Funk, Lloyd A., Route 2, Box 150, Hillsboro, KS 67063	172.80
Garrett, Richard G., 300 Earle Avenue, WaKeeney, KS 67672	15.84
Gibson, Clara L., Route 3, Holton, KS 66436	21.53
Gibson, Gary W., Route 2, Douglass, KS 67039	28.80
Gilfillan, Wayne G., Route 1, Hiawatha, KS 66434	20.30
Gooderl, Delman, Route 1, Hoyt, KS 66440	21.60
Goodwin, Harold M., Route 1, Box 79, Cedar Point, KS 66843	90.00
Green, J. C., Route 2, Box 103, Herndon, KS 67739	42.00
Griffith, C. F., Box 245, Fort Scott, KS 66701	112.10
Griffith Provision Co., Inc., Highway 24 West, Downs, KS 67437	94.97
Hamilton, David C., and Joe P., Route 2A, Box 67, Belle Plaine, KS 67013	38.88
Hansch, Wilber, Route 1, Herington, KS 67449	187.20
Harris, Larry E., Route 2, Box 185, Weilsville, KS 66092	20.95
Hart, Melvin, Barnard, KS 67418	138.89
Hase, Dorothy or Monty, Route 1, Eskridge, KS 66423	352.87
Haverkamp, Cletus, Route 2, Goff, KS 66428	44.64
Heinz, Dora H., Route 3, Great Bend, KS 67530	21.60
Heller, Don, DeLavan, KS 66847	43.49
Hensley, Robert, 408 Locust, Halstead, KS 67056	148.32
Hentzler, H. H., Eskridge, KS 66423	146.16
Heter, Jack, Route 2, Sterling, KS 67579	102.89
Hetzl, J. C., Route 2, Colony, KS 66015	48.31
Highley, John E., Route 3, Phillipsburg, KS 67661	19.08
Hoeme, Andrew V. Estate, c/o Betty E. Hoeme, 409 Manor Drive, Scott City, KS 67871	57.60
Holman, E. R., R.F.D., Beverly, KS 67423	42.48
Holthaus, Harlan, Route 2, Baileyville, KS 66404	20.88
Horak, Bennie, Delia, KS 66418	20.88
Houston, Mary Jane, Route 1, Box 150, Bartlett, KS 67332	45.65
Hula, Charles J., Blue Rapids, KS 66411	74.16
Hullman, Loren, Route 2, St. John, KS 67576	32.40
Hutchinson, Charles A., Route 2, 116 W. Chase, Burlingame, KS 66413	104.00
Ideker, Lester H., Ideker Farms, Rozel, KS 67574	43.82
Irons, Roy A., Irons Feed Yard, Inc., Minneola, KS 67865	203.90
Jacobson, Ronald, Waterville, KS 66548 (\$42.48 and \$21.24)	63.72
Janke, Robert C. or Phillip, Route 1, Box 40A, Junction City, KS 66441	570.96
Johnson, Lynn, Route 1, Danbury, Nebraska 69026	104.76
Johnson, Melvin, Delphos, KS 67436	65.66
Jones, Allen A., Route 1, Box 148, Frankfort, KS 66427	143.21
Jones, Lee R., Jr. Oil Company, Route 2, Box 13B, Sedan, KS 67361	43.34
Jones, Lester W., Route 1, Box 92, Barnard, KS 67418	18.00
Jughead Spraying Service, Inc., Gary L. Davidson, President, Box 244, Kinsley, KS 67547	1,304.93
Junction City, City of, P.O. Box 287, F. R. Calliber, City Clerk, Junction City, KS 66441	3,890.88
Junction Township, c/o Bob Jones, Clerk, Route 1, Box 23-A1, Overbrook, KS 66524	166.18
Kansas Brick & Tile Co., Inc., South Hwy. 281, Box 540, Hoisington, KS 67544	39.74
Karber, Barney J., Gypsum, KS 67448	120.74
Kaufman, Richard, Route 4, Hutchinson, KS 67501	19.66
Keener, Darrell, Route 1, Olmitz, KS 67564	299.16
Keim, David, Route 3, Garnett, KS 66032	35.28
Keller, Leonard C., Route 1, Box 69, Beattie, KS 66406	56.45
Kesler, Harold R., Route 1, Box 23, Sabetha, KS 66534	60.70
Kickhafer, Robert H., Route 2, Herington, KS 67449	131.76
Kippes, Norman, 604 Cathedral, Victoria, KS 67671	26.74
Kissick, Mrs. Donald, Route 1, Box 22, Beverly, KS 67423	20.23
Klecan, Joseph F., Route 1, Hanover, KS 66945	100.80
Kleppe, Marvin E., Route 1, Box 49, Leona, KS 66448	115.91
Klusener, John A., Route 1, Box 35, Alta Vista, KS 66834	49.68

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Knipp, William C., Route 1, Tonganoxie, KS 66086	557.34	Stainbrook, Donald, Route 2, La Cygne, KS 66040	100.51
Knowles, Frank I., Summerfield, KS 66541	261.22	Stock, Adam J., Coyville, KS 66727	20.88
Koch, Marvin, 921 Locust Street, Cawker City, KS 67430	23.76	Stock, Virgil L., Route 3, Box 45, Marysville, KS 66508	100.87
Kramer, Leonard, Vermillion, KS 66544	44.78	Stone, Walter V., Route 1, Louisburg, KS 66053	126.43
Lange, Fred J., Sr., Route 1, Conway Springs, KS 67031	37.37	Stricker, Leon H., Route 2, Russell, KS 67665	82.08
Larsen, Earle C. Estate, c/o Betty A. Larsen, Exec., Route 3, Box 80, Colby, KS 67701	32.40	Thielenhaus, Lena O., Box 345, Bison, KS 67520	22.03
Ledford, David, Box 30, Hamilton, KS 66853	664.99	Thiessen, Frank, Buhler, KS 67522	64.80
Loader, Leslie, Route 1, Abilene, KS 67410	20.16	Thomas Implement, Inc., by Charles Thomas, Box 435, Altamont, KS 67330	34.85
Lobb, James D., Route 1, Box 50, Oskaloosa, KS 66066	41.69	Thurman, Veryl L., 11500 West 175, Olathe, KS 66062	71.42
Lott, Donald D., Route 2, Minneapolis, KS 67467	32.55	Thyfault, Mrs. Ronald L., Damar, KS 67632	217.30
Love, Glenn, 218 W. Jefferson, Mankato, KS 66956	282.66	Tiemann, Orvin R., 2307 Kensington Rd., Salina, KS 67401	46.22
McClure, Clayton, Route 2, Whitewater, KS 67154	20.81	Townsend, Charles, Route 2, Baldwin City, KS 66006	99.00
McColm, Robert, Box 266, Bucklin, KS 67834	72.72	Triple E Farms, Inc., Wilbur Evans, President, Gove, KS 67736	122.40
McCullick Cattle Farms, R. R. McCullick, 509 Argyle, Minneapolis, KS 67467	237.10	Uhl, Max, Hamilton, KS 66853	434.48
McEvoy, Frank, Route 2, Oberlin, KS 67749	42.12	Ullery, Jim, Route 1, Box 138, Scranton, KS 66537	101.09
McGarity, Bob, Meriden, KS 66512	61.85	Umscheid, Mrs. Mark, Route 1, St. George, KS 66535	43.20
McGinn, Maurice, Sedgwick, KS 67135	116.64	Unruh, Robert E., Box 453, Canton, KS 67428	97.56
McKiearnan, Raymond R., Route 1, Box 66B, Louisburg, KS 66053	14.40	Van De Reit, Fred, Cawker City, KS 67430	132.70
Magnison, John B., Route 1, Box 81, Medicine Lodge, KS 67104	199.01	Van Horn, Percy D., Route 1, Wellsville, KS 66092	21.74
Maple Hill Cemetery, 2301 South 34th, Kansas City, KS 66106	36.00	Van Meter, Stanley Gene, Route 1, Courtland, KS 66939	21.53
Mason, Sophia, Route 1, Wakefield, KS 67487	19.08	Voran, Ted R., Route 4, Box 7, McPherson, KS 67460	170.28
Mayer, Henry J., Route 1, Norwich, KS 67118	225.36	Vosseller, Gail D., Route 1, Garnett, KS 66032	20.38
Mayo, Ronald J., Jr., R.F.D., Elmdale, KS 66850	118.87	Wagler, W. W., Route 1, Box 62, Partridge, KS 67566	214.13
Medlin, Roger A., Route 4, Paola, KS 66071	100.80	Walz, Robert E., Jaqua Star Route, Box 12, St. Francis, KS 67756	123.48
Mermis, Tony, Gorham, KS 67640	580.39	Walker, John, Route 2, Altoona, KS 66710	20.88
Metzen Bros. Dairy, Jerome C. Metzen, Route 1, Box 143, Viola, KS 67149	575.57	Walnut Creek Ranch, Mac F. Cahal, 6610 Indian Lane, Mission Hills, KS 66208	56.95
Meyer, Jay, Route 4, Box 47, Emporia, KS 66801	21.60	Warren, Ray G., 102 N. Brookwood, Derby, KS 67037	20.81
Miller, Arden, Route 2, Box 166, Coffeyville, KS 67337	20.52	Wassenberg, Larry J., Route 1, Home, KS 66438	58.54
Miller, Verlin F., Route 2, Box 23, Victoria, KS 67671	185.54	Weber, Katherine, Route 1, Box 33, Oakley, KS 67748	567.34
Molitor, Richard, Zenda, KS 67159	69.55	Weil, Roger E., P.O. Box 414, Edna, KS 67342	39.60
Morland, Edwin L., Route 1, Westmoreland, KS 66549	681.98	Welsh, Dan, Route 1, Weskan, KS 67762	29.52
Moyer Ranch, Inc., 1312 Knox Lane, Manhattan, KS 66502	452.88	Wendland, Michael J., Route 1, Box 59, Leonardville, KS 66449	41.11
Naiman, Dale, Route 1, Box 416, Leoti, KS 67861	65.74	Wessling, Cleo J., Route 1, New Cambria, KS 67470	101.81
National Cooperative Refinery Association, P.O. Box 1167, McPherson, KS 67460	308.16	Weston, Myrril J., Route 4, Yates Center, KS 66783	63.65
Nelson, Leon, Burdick, KS 66838	87.12	Whitehair, P. L. and R. J., Route 3, Abilene, KS 67410	18.00
Nelssen, Melvin, Smith Center, KS 66967	14.40	Whiteman, John, Route 1, Box 12, Little River, KS 67457	165.60
Newby, Clarence, Route 4, Pratt, KS 67124	93.82	Wilkening, Kenneth G., Box 185, St. Francis, KS 67756	66.60
Newcomer, Keith, Route 2, Valley Center, KS 67147	43.20	Wilson, Lawrence A., Route 4, Abilene, KS 67410	172.01
Neywick Farms, by Vernon Neywick, Falun, KS 67442	149.18	Wilson, Lillian Lou, Route 2, Box 15, Mapleton, KS 66754	32.11
Niemann, Kenneth, Box 342, Nortonville, KS 66060	151.27	Winger, Dwight E., Route 1, Dodge City, KS 67801	83.74
Nilson, Emanuel, Route 1, Gypsum, KS 67448	116.93	Worrell, Robert R., Route 1, Leon, KS 67074	37.66
Noel, Frankie, Route 2, La Cygne, KS 66040	275.84	Wulfkuhle, Wesley, Route 1, Lecompton, KS 66050	152.64
Noll, Joseph A., Route 1, Box 79, Winchester, KS 66097	27.36	Yoder, John A., Jr., Route 2, Garnett, KS 66032	20.16
Nolte, Larry, Route 2, Hiawatha, KS 66434	41.69	Yoder, Tobe J., Route 1, Welda, KS 66091	35.28
Oberlin Country Club, Inc., Mike Munson, Secretary, P.O. Box 96, Oberlin, KS 67749	207.15	Youngblood, J. C., 522 State Street, Atwood, KS 67730	131.76
Oldehoeft, Earl H., Bremen, KS 66412	113.40	Yust, Wallace O., Route 1, Box 97, Sylvia, KS 67581	32.40
Olson, Ed D., Route 1, Clyde, KS 66938	53.21	Ziegler, Virgil, Park, KS 67751	365.83
Ott, Aaron, Gridley, KS 66852	63.94	Zimmerman, Roy W., 1920 Jamaica, El Dorado, KS 67042	157.03
Parker, Alva, R.F.D., Box 31, Belpre, KS 67519	14.62	Zimmerman, Ywain, Route 1, Box 102, Sterling, KS 67579	137.09
Parry, Albert L., Route 2, Clay Center, KS 67432	82.58	Zohner Brothers, Carl Zohner, Partner, R.F.D., Penokee, KS 67659	36.00
Patrick, Reuben, Route 2, Lindsborg, KS 67456	21.60	Zucker, Melvin E., 418 East 4th St., Minneapolis, KS 67467	196.27
Paxson, Don D., Route 1, Box 71, Penokee, KS 67659	448.06		
Penner, Orlando F., Route 1, Box 18, Hillsboro, KS 67063	60.84	Total	\$40,685.15
Phillips, Terry D., Route 4, Parsons, KS 67357	20.88		
Pierce, Dow, Bendena, KS 66008	154.08		
Pinney, Carl, Route 2, Box 86, Ellis, KS 67637	58.18		
Pope, Kenneth L., Route 1, Box 45, Erie, KS 66733	20.88		
Ragan, Maurice E., Jr., Route 2, Oskaloosa, KS 66066	64.80		
Ralph, Otis W., Route 3, Oberlin, KS 67749	35.28		
Reid, Wayne, Harveyville, KS 66431	31.25		
Rhodes, Lyle, P.O. Box 193, Montezuma, KS 67867	429.48		
Ritter, Raymond, Route 2, Box 51, Oberlin, KS 67749	437.76		
Roth, Donald, Box 389, Holcomb, KS 67851	649.37		
Ruby, Gregg, Route 1, Osage City, KS 66523	154.44		
Rupp, Carl H., Box 245, Moundridge, KS 67107	50.04		
Russell, William F., Route 2, Box 128, Eureka, KS 67045	166.18		
Schadler, Leonard, P.O. Box 126, Healy, KS 67850	47.16		
Schaefer, Eldred, Route 1, Bremen, KS 66412	20.88		
Scheid, Lloyd, Whiting, KS 66552	90.72		
Schmitz, Donald, Route 1, Box 140, Caldwell, KS 67022	44.14		
Schrag, Norvin, Route 3, Box 96, Newton, KS 67114	21.60		
Schultejans, Clarence, Kelly, KS 66446	21.60		
Schurle, David M., Route 1, Box 121, Manhattan, KS 66503	43.85		
Seward, Paul, Route 2, Box 327, Leon, KS 67074	24.62		
Shaffer, Harold, Route 1, Towanda, KS 67144	204.55		
Shockley, Charles L., Route 1, Box 92, Dwight, KS 66849	161.60		
Shortt, Abe, Route 1, Belvue, KS 66407	98.28		
Simecka, Charles E., Route 1, St. Marys, KS 66536	116.64		
Simpson Building Supply Company, R. J. Day, Controller, P.O. Box 12110, Wichita, KS 67277	1,011.10		
Smarsh, Duane, Garden Plain, KS 67050	18.72		
Smith, Dean, Box 256, Burdett, KS 67523	138.96		
Solomon Valley Aviation, Inc., Donald D. Lott, President, Route 2, Minneapolis, KS 67467	110.16		
Squier, C. M., Squier Ranch, Box 33, Beaumont, KS 67012	61.20		

Sec. 3. The department of revenue is hereby authorized and directed to pay the following amounts from the motor-vehicle fuel tax refund fund for refund of gasoline tax on gasoline which was lost due to an accident or theft and was not claimed within the statutory limit prescribed by K.S.A. 79-3417, to the following claimants:

Cletus Doll, Route 1, Box 143, Colwich, KS 67030	\$447.20
Farmers Cooperative Association, c/o Dan Beauvais, Manager, 203 State Street, Atwood, KS 67730	243.71
Total	\$690.91

Sec. 4. The department of revenue is hereby authorized and directed to pay the following amounts from the sales tax refund fund for sales tax paid for materials for tax exempt projects under K.S.A. 1982 Supp. 79-3606, to the following claimants:

Western Roofing Company, 3119 Bell, Kansas City, MO 64111	\$73.48
The Osteopathic Hospital of Wichita, 2622 West Central Ave., Wichita, KS 67203	154.32
Barkman Honey Company, Inc., P.O. Box 123, Hillsboro, KS 67063	4,437.49
Johnson County Highway Department, c/o Virgil A. Holdredge, P.E., County Engineer, P.O. Box 397, Olathe, KS 66061	3,685.28
Harbin Construction Co., Inc., c/o William J. Harbin, President, P.O. Box 534, Salina, KS 67401	3,592.54
ACME Foundry, Inc., c/o R.D. Graham, President, P.O. Box 563, Coffeyville, KS 67337	1,870.69
Mike's Investment Company, c/o Danny E. Jenkins, P.O. Box 1402, Wichita, KS 67201	1,229.60
Total	\$15,043.40

(continued)

Sec. 5. The attorney general is hereby authorized and directed to pay the following amount from the litigation costs account of the state general fund for attorney fees and costs incurred for representation of the attorney general in the case of Erma L. Officer v. Big Brothers-Big Sisters of Topeka, Inc., et al., Civil Case No. 82-4137, filed in United States District Court, Topeka, Kansas, to the following claimant:

Lawrence P. Ireland, c/o Ireland, Enright and Baird, 420 West 33rd Street, Topeka, KS 66611 ..... \$2,894.80

Sec. 6. There is appropriated for the attorney general from the state general fund \$17,250 from which shall be paid the sum of \$15,114.92 plus interest at the rate of 15% per annum, as prescribed by subsection (c) of K.S.A. 1982 Supp. 16-204, from August 18, 1982, to James C. Linger and Eric W. Severson, c/o Irwin, Clutter and Severson, 1310 First National Bank Tower, Topeka, Kansas 66603, for payment of the judgment rendered for attorney fees and costs in the case of Dan G. Regan, et al. v. State of Kansas, Jack H. Brier, Secretary of State, Civil Case No. 82-4083, filed in United States District Court, Topeka, Kansas.

Sec. 7. There is appropriated from the state general fund the following amount for the payment in full satisfaction of all claims against the state in the case of J.E. Dunn Construction Company v. PPG Industries, Inc. and State of Kansas, Civil Case No. 80-C-9502, filed in the District Court of Wyandotte County on February 19, 1980, which arose from a dispute as to liability for repairing and replacing fireproofing on the clinical facility at the university of Kansas medical center and related matters, in accordance with the settlement agreement approved on December 3, 1982, for the following claimant:

J.E. Dunn Construction Company, c/o Duane J. Fox of Burrell, Seigfried & Bigham, P.C., 2800 Commerce Tower, 911 Main, K.C., MO 64105 ..... \$60,000

*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas under such case, including claims against the state of Kansas assigned to J.E. Dunn Construction Company by PPG Industries, Inc., DiCarlo General Contractors, Inc. and Ibla Corporation, shall be secured prior to payment of this amount.

Sec. 8. The judicial branch is hereby authorized and directed to pay the following amounts from the bar admission fee fund for compensation and expenses not paid due to clerical error for services from the date of appointment through March 1, 1982, as members of the Kansas board for admission of attorneys, to the following claimants:

Robert L. Briley, 115 South Rutter Ave., Chanute, KS 66720 (gross pay \$333.28; employer's contributions, \$23.68) ..... \$356.96  
 John H. Johntz, Jr., 4424 West 84th Street, Shawnee Mission, KS 66207 (gross pay \$333.28; employer's contributions, \$23.68) .. 356.96  
 Total ..... \$713.92

Sec. 9. The department of administration is hereby authorized and directed to pay the following amount from the cancelled warrants claims account of the state general fund for warrants issued during the period from April 12, 1978, through November 16, 1978, which were canceled one year from the date of issuance under K.S.A. 10-811, to the following claimant:

Karen A. Baczowski, 1712 Ash Street, Hays, KS 67601 ..... \$69.25

Sec. 10. The Kansas dental board is hereby authorized and directed to pay the following amount from the dental board fee fund for legal services provided in connection with disciplinary proceedings in fiscal year 1982 for which insufficient moneys were encumbered from appropriations for that fiscal year, to the following claimant:

Goodell, Stratton, Edmonds, Palmer & Wright, Attorneys at Law, 215 East 8th, Topeka, KS 66603 ..... \$143.77

Sec. 11. The department of human resources is hereby authorized and directed to pay the following amounts from the salaries and wages account of the employment security administration fund for compensation for hours of annual leave accumulated as an intermittent employee but which was not paid because separation from state service in fiscal year 1982 did not coincide with the last date actually worked in fiscal year 1981, to the following claimant:

Victoria Armstead, 116 East Street, Box 514, Emporia, KS 66801 (gross pay, \$229.90; employer's contributions, \$17.24) ..... \$247.14

Sec. 12. There is appropriated from the state general fund the following amount for unpaid costs for educational services provided to severely handicapped children placed in residential programs with the claimant since fiscal year 1978, for the following claimant:

Institute of Logopedics, c/o Frank R. Kleffner, Director, 2400 Jardine, Wichita, KS 67219 ..... \$134,176.00

*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas, any state agency and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 13. (a) The department of social and rehabilitation services is hereby authorized and directed to pay the following amount from the social services clearing fund for utilities and repair expenses incurred in fiscal year 1981 for which vouchers were not submitted until fiscal year 1982, to the following claimant:

Metro West Realtors, Inc., P.O. Box 38, Lawrence, KS 66044 .... \$355.69

(b) The department of social and rehabilitation services is hereby authorized and directed to pay the following amount from the social services clearing fund for consulting services incurred in fiscal year 1982 for which a voucher was not submitted until fiscal year 1983, to the following claimant:

Allen R. Beck, Ph.D., 2921 Lincoln, Topeka, KS 66611 ..... \$499.35

Sec. 14. The Fort Hays state university is hereby authorized and directed to pay the following amount from the library services account of the restricted fees fund for payment of copying machine monthly rental and meter usage charges mistakenly presented to the Fort Hays experiment station of Kansas state university for payment instead of Fort Hays State University for the period from January to June of 1980, to the following claimant:

Savin Corporation, c/o Sharon A. Mulhern, Credit Correspondent, P.O. Box 8000, Valhalla, N.Y. 10595 ..... \$1,059.69

Sec. 15. (a) The Kansas state university is hereby authorized and directed to pay the following amount from the dormitory fees fund for payment of expenses incurred relating to injury to claimant's son when a "hopper-type" window in married student housing, which lacked retaining screws, fell on his fingers, to the following claimant:

Kassim Al-Khatib, P-24 Jardine Terrace, Manhattan, KS 66502 ... \$225.00

*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(b) The Kansas state university is hereby authorized and directed to pay the following amount from the dormitory fees fund for payment for damages caused by acid which was used by maintenance personnel to clear a clogged drain and which backed-up and leaked into claimant's married student housing apartment below, to the following claimants:

Dale and Karen Patterson, U-9 Jardine Terrace, Manhattan, KS 66502 ..... \$204.38

*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 16. The Pittsburg state university is hereby authorized and directed to pay the following amounts from the other operating expenditures (including official hospitality) account of the state general fund to the Pittsburg state university imprest fund established by K.S.A. 75-3057, to replace moneys advanced from the imprest fund for travel expenses of the women's basketball team on a three-day trip to Salina, Kansas, in January, 1982, which were lost and to reimburse the coach for such travel expenses which were paid from personal finances, to the following claimants:

(continued)

Barbara Crill, Women's Basketball Coach, Pittsburg State University, Pittsburg, KS 66762 .....	\$924.15
Pittsburg state university imprest fund, c/o Clifford E. Beougher, University Director of Business & Fiscal Affairs, Pittsburg State University, Pittsburg, KS 66762 .....	575.85
<b>Total</b> .....	<b>\$1,500.00</b>

Sec. 17. There is appropriated from the state general fund the following amount for gasoline and other expenses for use of claimant's truck in picking up items for the university theatre at the university of Kansas over a period of 16 years, to the following claimant:

Clarence P. Seaver, c/o James E. Rumsey, Law Offices of Rumsey & Hooge, 1035 Vermont, Suite B, Lawrence, KS 66044 .....	\$3,000.00
<i>Provided</i> , That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.	

Sec. 18. The university of Kansas is hereby authorized and directed to pay the following amount from the other operating expenditures (including official hospitality) account of the state general fund for the Lawrence campus for use of oxygen cylinders which were retained in the pharmacology and toxicology laboratories during fiscal years 1979, 1980 and 1981 and for which billings were mistakenly disputed by the university of Kansas, to the following claimant:

Burridge Oxygen Distributing Company, 900 Swift Street, North Kansas City, MO 64116 .....	\$1,279.95
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Sec. 19. There is appropriated from the state general fund the following amount for the payment and in full satisfaction of interest payable on the amount of the arbitration award made in favor of the Evans Electrical Construction Company on July 11, 1977, in accordance with the contract for the electrical portion of the basic science facility at the university of Kansas medical center, at the rate of 8% per annum, as prescribed by subsection (a)(1) of K.S.A. 1982 Supp. 16-204, from such date to February 22, 1980, when the state of Kansas tendered the principal amount of such award into the office of the clerk of the district court for Douglas county pursuant to section 2 of chapter 4 of the 1980 Session Laws of Kansas, to the following claimant:

Evans Electrical Construction Company, c/o Gordon R. Gaebler, Svoboda & Gaebler, P.O. Box 30070, Kansas City, MO 64112 .....	\$5,097.21
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*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 20. (a) The university of Kansas medical center is hereby authorized and directed to pay the following amount from the other operating expenditures (including official hospitality) account of the state general fund for lease payments for use of a copying machine from November 1, 1980, through June 30, 1981, for which vouchers were not submitted in the proper fiscal year, to the following claimant:

Savin Corporation, Modern Business Systems, Columbus Ave., Valhalla, N.Y. 10595 .....	\$855.00
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(b) The university of Kansas medical center is hereby authorized and directed to pay the following amount from the other operating expenditures (including official hospitality) account of the state general fund for expenses incurred in connection with a broken right wrist sustained when the claimant fell on the steps at the Eleanor Taylor building, to the following claimant:

Mariane McCowen, c/o Roger M. Phillips, Attorney at Law, 2500 City Center Square, Kansas City, MO 64105 .....	\$525.00
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*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(c) The university of Kansas medical center is hereby authorized and directed to pay the following amount from the other operating expenditures (including official hospitality) account of the state general fund for the loss of rings which were placed in the custody of nursing personnel at the university of Kansas medical center on May 28, 1982, while claimant was receiving medical treatment, to the following claimant:

Beverly A. Meister, c/o William C. O'Keefe, Attorney at Law, 314 Main, Seneca, KS 66538 .....	\$4,950.00
<i>Provided</i> , That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.	

(d) The university of Kansas medical center is hereby authorized and directed to pay the following amount from the parking fees fund for damage caused when a temporary sign blew over damaging the hood of claimant's automobile while parked at the university of Kansas medical center on October 27, 1982, to the following claimant:

Anne M. Maltby, 6820 N.W. Fisk, Kansas City, MO 64151 .....	\$145.67
<i>Provided</i> , That a written release and satisfaction of all claims and rights against the state of Kansas, any state agency and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.	

Sec. 21. The adjutant general is hereby authorized and directed to pay the following amount from the physical plant operations account of the state general fund for rental of floodlights for the national guard armory in Harper, Kansas, which was not paid during fiscal year 1981 when incurred due to a billing error, to the following claimant:

Western Power, c/o M.F. Zimmerman, Div. Comm. Mgr., P.O. Box 96, Harper, KS 67058 .....	\$444.71
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Sec. 22. (a) The department of corrections is hereby authorized and directed to pay the following amount from the other operating expenditures—department of corrections account of the state general fund for medical expenses incurred in the care and keeping of a parole violator, to the following claimant:

The county of Neosho, c/o S. Joe Robertson, Sheriff, P.O. Box 237, Erie, KS 66733 .....	\$143.15
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(b) The department of corrections is hereby authorized and directed to pay the following amount from the other operating expenditures—work release account of the state general fund for damage to watch and slacks while pursuing an inmate attempting to escape on March 16, 1979, at the Wichita work release center, to the following claimant:

John H. Williams, 2653 Iva, Wichita, KS 67220 .....	\$285.00
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Sec. 23. The correctional institution for women is hereby authorized and directed to pay the following amount from the other operating expenditures account of the state general fund for loss of claimant's personal property which was not properly taken into custody and inventoried by personnel of the correctional institution for women when claimant was transferred to Kansas state penitentiary, to the following claimant:

John W. Hensley, #20945, c/o Paul D. Post, Attorney at Law, 820 Quincy, Suite 403, Topeka, KS 66612 .....	\$321.95
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*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 24. (a) The state industrial reformatory is hereby authorized and directed to pay the following amount from the other operating expenditures account of the state general fund for loss of a federal social security warrant which was credited in error to the account of another inmate who was paroled after withdrawing the proceeds of the warrant from the inmate account, in accordance with the negotiated settlement agreement entered into by the claimant and the director of the state industrial reformatory, to the following claimant:

Gary Arnez Thompson, #33542, c/o H. Lee Jenkins II, Attorney at Law, P.O. Box 1568, Hutchinson, KS 67501 .....	\$115.20
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*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(b) The state industrial reformatory is hereby authorized and directed to pay the following amount from the other operating expenditures account of the state general fund for permanent injury to the right second, or middle, finger caused by use of worn grinding wheel while working in the machine shop at the state industrial reformatory, to the following claimant:

(continued)

Danny L. Foster, #9275, c/o State Industrial Reformatory. . . . . \$2,013.45  
*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 25. (a) The Kansas state penitentiary is hereby authorized and directed to pay the following amount from the other operating expenditures account of the state general fund for injury to and partial loss of use of claimant's left thumb which was accidentally cut by a table saw while working in the furniture refinishing plant at Kansas state penitentiary, to the following claimant:

Bobby Joe Walker, #34608, c/o Kansas State Penitentiary. . . . . \$1,809.84  
*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(b) The Kansas state penitentiary is hereby authorized and directed to pay the following amounts from the other operating expenditures account of the state general fund for damages caused by wind-blown spray paint administered by work crews which carried onto claimants' personal vehicles parked in the main parking lot at Kansas state penitentiary, to the following claimants:

Cecilia R. Stull, 110 Crest View Terrace, Lansing, KS 66043 . . . . \$672.75  
 Guy L. Butler, 2817 South 16th Street, Leavenworth, KS 66048 . . . 1,552.50  
 Total . . . . . \$2,225.25

(c) The Kansas state penitentiary is hereby authorized and directed to pay the following amount from the other operating expenditures account of the state general fund for reimbursement for damages sustained when three inmates broke into claimant's home after their escape from Kansas state penitentiary on September 6, 1981, to the following claimant:

John E. Malott, 517 South 134th Street, Bonner Springs, KS 66012 . . . . . \$500.00  
*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(d) The Kansas state penitentiary is hereby authorized and directed to pay the following amounts from the other operating expenditures account of the state general fund for reimbursement for loss of claimants' personal property which was in the custody and control of personnel of Kansas state penitentiary, to the following claimants:

James Tucker LeVier, #6536, c/o Kansas State Penitentiary . . . . \$310.00  
 Orville Huddleston, #17548-B, c/o Kansas State Penitentiary . . . . 70.00  
 Frank Calderon, #34932, c/o Kansas State Penitentiary . . . . . 89.88  
 Louis E. Jones, #22553-B, c/o Kansas State Penitentiary . . . . . 7.20  
 Michael Roy Chapman, 920 Scott, Kansas City, KS 66105. . . . . 120.00  
 Floyd A. Robinson, #33392, c/o Kansas State Penitentiary . . . . . 97.20  
 Gary Franklin Holmes, #7927, c/o Kansas State Penitentiary . . . . 28.98  
 Total . . . . . \$723.26

Sec. 26. The youth center at Atchison is hereby authorized and directed to pay the following amount from the operating expenditures account of the state general fund for gas service in April, 1979, for which a billing was not received and was not paid during fiscal year 1979, to the following claimant:

Kansas Power and Light Company, P.O. Box 818, Topeka, KS 66601. . . . . \$4,010.54

Sec. 27. (a) The department of health and environment is hereby authorized and directed to pay the following amount from the personal health services—other operating expenditures account of the state general fund for authorized services provided during fiscal years 1981 and 1982 to a client of the crippled children's program which were not paid for due to lack of timely written notice to the program by other personnel of the department of health and environment, to the following claimant:

Respiratory Services, Inc., 432 North Washington, Wichita, KS 67202. . . . . \$240.59

(b) The department of health and environment is hereby authorized and directed to pay the following amount from the administration—other operating expenditures account of the

state general fund for personal property sold by the department of health and environment located in buildings for which a contract was entered into with the claimant for razing of the buildings which provided that items in the buildings, along with salvageable materials, were to become the property of the contractor, to the following claimant:

Ernest Ables, Ables Wrecking, c/o Eric W. Severson, Irwin, Clutter & Severson, 1310 First National Bank Tower, Topeka, KS 66603 . . . . . \$2,900.00

*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

Sec. 28. The Larned state hospital is hereby authorized and directed to pay the following amounts from the operating expenditures account of the state general fund for compensation payable for a promotion which was not processed due to a clerical error, to the following claimant:

Daunelle Prescott, 407 Mark, Larned, KS 67550 (gross pay \$870.00; employer's contributions, \$107.01) . . . . . \$977.01

Sec. 29. (a) The state park and resources authority is hereby authorized and directed to pay the following amount from the state park operations account of the state general fund for damages sustained to claimant's boat which struck a submerged steel pipe on June 26, 1982, in the marina harbor at Lake Cheney which was dislodged from boat slips or docks at the marina and not marked as an open water hazard, to the following claimant:

Dennis W. Fairbanks, 802 North Illinois, Wichita, KS 67203. . . . \$1,375.00  
*Provided*, That a written release and satisfaction of all claims and rights against the state of Kansas and any officers and employees of the state of Kansas regarding this claim shall be secured prior to payment of this amount.

(b) The state park and resources authority is hereby authorized and directed to pay the following amount from the administration account of the state general fund for printing services performed in June, 1980, by claimant for the state park and resources authority without prior authorization of the division of printing of the department of administration, to the following claimant:

Copy Center of Topeka, c/o L.K. Greene, Vice-President and General Manager, 607 S.E. Quincy, Topeka, KS 66603. . . . . \$781.55

Sec. 30. The state historical society is hereby authorized and directed to pay the following amount from the administration account of the state general fund for alarm service connection and rental charges incurred in fiscal year 1982 which were not billed until fiscal year 1983, to the following claimant:

Torgeson Electric Alarms, 1027 College Ave., Topeka, KS 66604. . . \$70.00

Sec. 31. The Kansas highway patrol is hereby authorized and directed to pay the following amount from the state highway patrol fund for a longevity pay increase not made when due as a result of clerical error, to the following claimant:

Larry L. Ochs, Route 3, Box 271, Ottawa, KS 66067 (gross pay, \$160.00; employer's contributions, \$30.08) . . . . . \$190.08

Sec. 32. The department of transportation is hereby authorized and directed to pay the following amounts from the operations—other operating expenditures account of the state highway fund for loss of mechanic's tools stolen from the geology shop within the department of transportation maintenance shop at 3200 South Topeka Avenue, Topeka, Kansas, on the night of February 18, 1982, to the following claimants:

Alvin L. Milner, 4307 W. 30th Terrace, Topeka, KS 66614 . . . . . \$2,795.74  
 Dick S. Varner, Route 1, Box 27, Berryton, KS 66409 . . . . . 1,906.00

Total . . . . . \$4,701.74

Sec. 33. The department of human resources is hereby authorized and directed to pay the following amount from the administration fee fund for delinquent property taxes, to the following claimant:

Shawnee county, Kansas, c/o Marjorie M. Robards, Courthouse, Room 101, Topeka, KS 66603 . . . . . \$123.13

Sec. 34. The director of accounts and reports is hereby authorized and directed to draw warrants on the state treasurer in

(continued)

favor of the claimants specified in this act, upon vouchers duly executed by the state agencies directed to pay the amounts specified in such sections or by the claimants or their legal representatives or duly authorized agents, as provided by law.

Sec. 35. 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 7, 1983.

House adopted Conference Committee report April 5, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

Passed the SENATE as amended March 24, 1983.

Senate adopted Conference Committee report April 5, 1983.

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

APPROVED April 22, 1983.

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 23rd day of April, 1983.

(SEAL) JACK H. BRIER  
*Secretary of State.*

(Published in the KANSAS REGISTER, April 28, 1983.)

SENATE BILL No. 452

AN ACT relating to taxation; imposing an excise tax upon the production of coal, salt, oil and gas from the earth or water of the state; providing for the levy and collection of such taxes and the administration and enforcement of the provisions of the act; prescribing penalties for violations thereof and providing for the use and disposition of revenues derived therefrom.

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

Section 1. As used in this act, unless the context clearly requires otherwise, the following words and phrases shall have the meanings ascribed to them herein:

- (a) "Barrel" for oil measurement means a barrel of 42 U.S. gallons of 231 cubic inches per gallon, computed at a temperature of 60 degrees Fahrenheit.
- (b) "Director" means the director of taxation.
- (c) "Gas" means natural gas taken from below the surface of the earth or water in this state, regardless of whether from a gas well or from a well also productive of oil or any other product.
- (d) "Gross value" means the sale price of oil or gas at the time of removal of the oil or gas from the lease or production unit and if oil or gas is exchanged for something other than cash, or if no sale occurs at the time of removal or if the director determines that the relationship between the buyer and the seller is such that the consideration paid, if any, is not indicative of the true value or market price, then the director shall determine the value of the oil or gas subject to tax, based on the cash price paid to producers for like quality oil or gas in the vicinity of the lease or production unit at the time of the removal of the oil or gas from the lease or production unit. Notwithstanding the foregoing, if no sale of gas occurs at the time of removal and such gas is not stored, then the gross value of gas for the purpose of taxation under this act shall be the price for which such gas is sold at the time of sale if such sale is not between related parties.
- (e) "Oil" means petroleum, or other crude oil, condensate, casinghead gasoline, or other mineral oil which is severed or

withdrawn from below the surface of the soil or water in this state.

(f) "Operator" means the person primarily responsible for the management and operation of coal, salt, oil or gas productions from a lease, production unit or mine.

(g) "Person" means any natural person, firm, copartnership, joint venture, association, corporation, estate, trust or any other group or combination acting as a unit, and the plural as well as the singular number.

(h) "Producer" means any person owning, controlling, managing or leasing any coal, salt, oil or gas property or oil or gas well or coal or salt mine, and any person who severs in any manner any coal, salt, oil or gas in this state, and shall include any person owning any direct and beneficial interest in any coal, salt, oil or gas produced, whether severed by such person or some other person on their behalf, either by lease, contract or otherwise, including a royalty owner.

(i) "Remove" or "removal" means the physical transportation of coal, salt, oil or gas off of the lease or production unit or from the mine where severed; and if the manufacture or conversion of crude oil or natural gas into refined products occurs on the premises where severed, oil or gas shall be deemed to have been removed on the date such manufacture or conversion begins.

(j) "Secretary" means the secretary of revenue.

(k) "Severed" or "severing" means: (1) The production of oil through extraction or withdrawal of the same from below the surface of the soil or water, whether such extraction or withdrawal shall be by natural flow, mechanical flow, forced flow, pumping or any other means employed to get the oil from below the surface of the soil or water and shall include the withdrawal by any means whatsoever of oil upon which the tax has not been paid, from any surface reservoir, natural or artificial, or from a water surface; (2) the production of gas through the extraction or withdrawal of the same by any means whatsoever, from below the surface of the earth or water; and (3) the physical removal of coal or salt from the earth.

(l) "Taxpayer" means any person liable for the taxes imposed by this act.

Sec. 2. (a) From and after May 1, 1983, there is hereby imposed an excise tax upon the severance and production of coal, salt, oil or gas from the earth or water in this state for sale, transport, storage, profit or commercial use, subject to the following provisions of this section. Such tax shall be borne ratably by all persons within the term "producer" as such term is defined in section 1 of this act, in proportion to their respective beneficial interest in the coal, salt, oil or gas severed. Such tax shall be applied equally to all portions of the gross value of each barrel of oil severed and subject to such tax and to the gross value of the gas severed and subject to such tax. The rate of such tax shall be 8% of the gross value of all oil or gas severed from the earth or water in this state and subject to the tax imposed under this act. The rate of such tax with respect to coal shall be \$1 per ton and with respect to salt shall be \$.04 per ton in solid state. For the purposes of the tax imposed hereunder the amount of oil or gas produced shall be measured or determined: (1) In the case of oil, by tank tables compiled to show 100% of the full capacity of tanks without deduction for overage or losses in handling; allowance for any reasonable and bona fide deduction for basic sediment and water, and for correction of temperature to 60 degrees Fahrenheit will be allowed; and if the amount of oil severed has been measured or determined by tank tables compiled to show less than 100% of the full capacity of tanks, such amount shall be raised to a basis of 100% for the purpose of the tax imposed by this act; and (2) in the case of gas, by meter readings showing 100% of the full volume expressed in cubic feet at a standard base and flowing temperature of 60 degrees Fahrenheit, and at the absolute pressure at which the gas is sold and purchased; correction to be made for pressure according to Boyle's law, and used for specific gravity according to the gravity at which the gas is sold and purchased, or if not so specified, according to the test made by the balance method.

(b) The following shall be exempt from the tax imposed under this section:

(continued)



(1) The severance and production of gas which is: (A) Injected into the earth for the purpose of lifting oil, recycling or repressuring; (B) used for fuel in connection with the operation and development for, or production of, oil or gas in the lease or production unit where severed; (C) lawfully vented or flared; (D) severed from a well having an average daily production during a calendar month having a gross value of not more than \$81 per day, which well has not been significantly curtailed by reason of mechanical failure or other disruption of production; (E) inadvertently lost by reason of leaks, blowouts or other accidental losses; (F) used or consumed for domestic or agricultural purposes on the lease or production unit from which it is severed; or (G) placed in underground storage for recovery at a later date and which was either originally severed outside of the state of Kansas, or as to which the tax levied pursuant to this act has been paid;

(2) the severance and production of oil which is: (A) From a lease or production unit whose average daily production from a producing well, or from all producing wells upon such lease or production unit, is two barrels or less, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (B) from a lease or production unit, the producing well or wells upon which have a completion depth of 2,000 feet or more, and whose average daily production from such well or wells is three barrels or less, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (C) from a lease or production unit, whose production results from a tertiary recovery process. "Tertiary recovery process" means the process or processes described in subparagraphs (1) through (9) of 10 C.F.R. 212.78(c) as in effect on June 1, 1979; (D) from a lease or production unit, the producing well or wells upon which have a completion depth of less than 2,000 feet and whose average daily production from such well or wells, resulting from a water flood process, is three barrels or less, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (E) from a lease or production unit, the producing well or wells upon which have a completion depth of 2,000 feet or more, and whose average daily production from such well or wells, resulting from a water flood process, is four barrels or less, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (F) test, frac or swab oil which is sold or exchanged for value; or (G) inadvertently lost by reason of leaks or other accidental means;

(3) (A) any taxpayer applying for an exemption pursuant to subsection (b)(2)(A) and (B) shall make application annually to the director of taxation therefor. Exemptions granted pursuant to subsection (b)(2)(A) and (B) shall be valid for a period of one year following the date of certification thereof by the director of taxation; (B) any taxpayer applying for an exemption pursuant to subsection (b)(2)(D) or (E) shall make application annually to the director of taxation therefor. Such application shall be accompanied by proof of the approval of an application for the utilization of a water flood process therefor by the corporation commission pursuant to rules and regulations adopted under the authority of K.S.A. 1982 Supp. 55-152, and proof that the oil produced therefrom is kept in a separate tank battery and that separate books and records are maintained therefor. Such exemption shall be valid for a period of one year following the date of certification thereof by the director of taxation;

(4) the severance and production of gas or oil from any pool from which oil or gas was first produced on or after April 1, 1983, and continuing for a period of 24 months from the month in which oil or gas was first produced from such pool as evidenced by an affidavit of completion of a well, filed with the state corporation commission. Exemptions granted for production from any well pursuant to certification by the director of taxation of first production from any pool hereunder shall be valid for a period of 24 months following the date of such certification. The term "pool" means an underground accumulation of oil or gas in a single and separate natural reservoir characterized by a single pressure system so that production from one part of the pool affects the reservoir pressure throughout its extent; and

(5) the severance or production of coal from any mine the total annual production from which is 350,000 tons or less in the preceding calendar year as certified by the state geological survey.

Sec. 3. Except as otherwise provided in this act, the tax imposed by section 2 of this act shall be upon the severing and producing of coal, salt, oil or gas in this state, regardless of the place of sale of such coal, salt, oil or gas or to whom sold or by whom used, or the fact that the delivery thereof may be made to points outside the state. The taxes imposed by this act shall be in addition to all taxes imposed upon real or personal property by the state of Kansas or by any taxing subdivision thereof.

Sec. 4. (a) There shall be allowed to each taxpayer who is liable for ad valorem property taxes upon oil property as defined by K.S.A. 79-329, a credit against the tax levied under section 2 upon the severance and production of oil, in an amount equal to 3.67% of the gross value of oil severed and taxable under this act, and in which the taxpayer has a beneficial interest.

(b) There shall be allowed to each taxpayer who is liable for ad valorem property taxes upon gas property as defined by K.S.A. 79-329, a credit against the tax levied under section 2 upon the severance and production of gas, in an amount equal to 1% of the gross value of gas severed and taxable under this act, and in which the taxpayer has a beneficial interest.

Sec. 5. (a) Except as otherwise provided in subsection (c), the amount of the tax payable each month under the provisions of section 6 of this act shall be due and payable on or before the 20th day of the second month following the end of the month in which the coal, salt, oil or gas is removed from the lease or production unit or mine. The tax is upon the producers, as defined in section 1, of such coal, salt, oil or gas in the proportion to their respective beneficial interest at the time of severance, but unless the operator of the lease, production unit or mine, upon written notice to the first purchaser and the director, elects to remit the tax, the first purchaser of any coal, salt, oil or gas sold shall collect the amount of the tax due from the producers, as defined by section 1, by deducting and withholding such amount from any payments made by such purchaser to the operator, or such producers where payment is made to same directly, and shall remit the same as provided in this act. An operator, upon having given written notice to the first purchaser and the director, may elect to collect and remit the tax due under this act. If an operator makes this election, such operator shall collect the total amount of tax due and shall remit the same to the director.

In no event shall a producer be relieved of responsibility for the tax until the same has been paid. In the event the tax shall be withheld by a purchaser from payments due an operator or producer and such purchaser fails to make payment of the tax to the state as required herein, the operator or producer shall be entitled to bring an action against such purchaser to recover the amount of tax so withheld together with penalties and interest which may have accrued by failure to make such payment. The operator or producer shall be entitled to reasonable attorney fees and court costs incurred in such action.

(b) The state shall have a lien on all the coal, salt, oil or gas severed in this state in the hands of the operator, any producer or the first or any subsequent purchaser thereof to secure the payment of the tax. In the event any person required herein to pay the tax fails to do so, the director shall proceed against such person to collect the tax in the manner provided by K.S.A. 79-3235 and amendments thereto.

(c) All taxes imposed under the provisions of section 2 of this act upon coal, salt, oil or gas severed and removed from a lease or production unit or mine in the months of May and June in the year 1983, shall be due and payable on or before the 20th day of September, 1983. In addition all returns required to be filed by purchasers and operators in relation to coal, salt, oil or gas removed from the lease or production unit or mine in the months of May and June in the year 1983, shall be filed on or before the 20th day of September, 1983.

Sec. 6. (a) Except as otherwise provided in subsection (c) of section 5, every purchaser responsible for remitting the tax imposed under the provisions of section 2, on or before the 20th

(continued)

day of the second month following the end of every calendar month in which coal, salt, oil or gas is removed from the lease or production unit or mine, shall make a return to the director upon forms prescribed and furnished by the director showing the gross quantity of coal, salt, oil or gas purchased during the month for which the return is filed, the price paid therefor, the correct name and address of the operator or other person from whom the same was purchased, a full description of the property in the manner prescribed by the director from which such coal, salt, oil or gas was severed and the amount of tax due. Such return shall be accompanied by a remittance of the full amount of the tax due. For the purposes of determining the amount of tax to be remitted, such purchaser shall compute the full amount of the tax due under section 2 of this act upon all coal, salt, oil or gas severed and removed from the lease or production unit or mine during such month and shall deduct an amount equal to the full amount of the tax credit allowed pursuant to section 4.

(b) Except as otherwise provided in subsection (c) of section 5, if coal, salt, oil or gas is removed from the lease or production unit or mine but not sold to a purchaser or if the operator elects to remit the tax as authorized under section 5, the operator shall on or before the 20th day of the second month following the end of every calendar month in which coal, salt, oil or gas is removed from the lease or production unit or mine make a return to the director upon forms prescribed and furnished by the director showing the gross quantity of coal, salt, oil or gas removed during such month and a full description of the property in the manner prescribed by the director from which the same was severed. If the coal, salt, oil or gas has been sold, such return shall be accompanied by a remittance of the full amount of tax due. If the coal, salt, oil or gas has not been sold the operator shall remit the full amount of the tax due upon certification of the amount thereof by the director. The amount of taxes to be remitted shall be determined in the same manner prescribed for remittances by purchasers under subsection (a) of this section.

(c) Each monthly return required hereunder shall be filed on separate forms as to product and county and lease, production unit or mine. All such monthly returns shall be signed by the purchaser or operator, as the case may be, or a duly authorized agent thereof.

(d) The director may grant a reasonable extension of time for filing any return and remittance of taxes due under this act upon good cause shown therefor. Interest shall be charged at the rate prescribed by subsection (a) of K.S.A. 1982 Supp. 79-2968 for the period of such extension.

Sec. 7. When the title to any coal, salt, oil or gas severed from the earth or water is in dispute and the purchaser of such coal, salt, oil or gas is withholding payments on account of litigation, or for any other reason, such purchaser is hereby authorized, empowered and required to deduct from the gross amount thus held the amount of the tax imposed less the amount of any credit to which the taxpayer is entitled and to make remittance thereof to the director as provided in this act.

Sec. 8. When requested by the director, all transporters of coal, salt, oil or gas out of, within or across the state of Kansas shall be required to furnish the director such information relative to the transportation of such coal, salt, oil or gas as the director may require. The director shall have authority to inspect bills of lading, waybills, meter or other charts, documents, books and records as may relate to the transportation of coal, salt, oil or gas in the hands of each transporter herein referred to. The director shall further be empowered to demand the production of such bills of lading, waybills, charts, documents, books and records relating to the transportation of coal, salt, oil or gas at any point in the state of Kansas which may be designated, except that in the case of common carriers using bills of lading or waybills prescribed or approved by the interstate commerce commission, such common carrier shall only be required to keep the usual records at offices in the state where such records are usually kept.

Sec. 9. The director shall have the power to require any operator, producer or person purchasing any coal, salt, oil or gas severed from the earth or water to furnish any additional information deemed to be necessary for the purpose of computing the

amount of the tax, and for such purpose to examine the meter and other charts, books, records and all files of such person, and for such purpose the director shall have the power to issue subpoenas and examine witnesses under oath, and if any witness shall fail or refuse to appear at the request of the director, or refuses access to books, records and files, the district court of the proper county, or the judge thereof, on application of the director, shall compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein.

Sec. 10. (a) If any taxes imposed under this act and determined and assessed by the director are unpaid: (1) Not due to negligence or to intentional disregard of this act or rules and regulations promulgated by the secretary, interest on such taxes shall be added at the rate per month prescribed by subsection (a) of K.S.A. 1982 Supp. 79-2968, and amendments thereto, from the date the tax was due until paid; (2) due to negligence or to intentional disregard of this act or rules and regulations promulgated by the secretary, but without intent to defraud, a penalty of 10% of the amount of such taxes shall be added, together with interest at the rate per month prescribed by subsection (a) of K.S.A. 1982 Supp. 79-2968, and amendments thereto, from the date the tax was due until paid; (3) due to fraud with intent to evade the tax imposed by this act, there shall be added thereto a penalty of 50% of the amount of such tax, together with interest at the rate per month prescribed by subsection (a) of K.S.A. 1982 Supp. 79-2968, and amendments thereto, from the date the tax was due until paid.

(b) If any person fails or refuses to make any return, when required to do so under the provisions of this act, such person shall be subject to a penalty of \$25 per day for each return which such person fails or refuses to file.

(c) Whenever, in the judgment of the director, the failure of any person to comply with the provisions of subsection (a)(1), (a)(2), and (b) of this section, was due to reasonable cause, the director may, in the exercise of discretion, waive or reduce any of the penalties upon making a record of the reason therefor.

(d) In addition to all other penalties herein provided, any person who fails to make a return, or to pay any tax herein provided, or who makes a false or fraudulent return, or fails to keep any books or records prescribed by this act, or who willfully violates any rules and regulations promulgated by the secretary for the enforcement and administration of this act, or who aids and abets another in attempting to evade the payment of any tax imposed by this act, or who violates any other provisions of this act, shall, upon conviction thereof, be guilty of a class C misdemeanor.

Sec. 11. Every operator shall make and keep a complete and accurate record in the form required by the director showing the gross quantity of coal, salt, oil or gas severed and removed from each lease, production unit or mine, the names of the purchasers of such products, the price paid therefor and the date of purchase. Every purchaser of coal, salt, oil or gas severed in this state who is required to collect and remit the tax on the same shall make and keep a complete and accurate record in the form required by the director showing the gross quantity of coal, salt, oil or gas purchased from each lease, production unit or mine, the price paid therefor, the name of the operator and the date of purchase. Such records shall at all times during business hours of the day be available for and subject to inspection by the director, or the director's duly authorized agents and employees, for a period of three years from the last day of the calendar year to which the records pertain. Such records shall be preserved during the entire period during which they are subject to inspection by the director, unless the director in writing previously authorized their disposal.

The amount of taxes imposed by this act is to be assessed within three years after the return is filed, and no proceedings in court for the collection of such taxes shall be begun after the expiration of such period. In the case of a false or fraudulent return with intent to evade tax, the tax may be assessed or a proceeding in court for collection of such tax may be begun at any time, within two years from the discovery of such fraud. No

(continued)

refund shall be allowed by the director after three years from the date of payment of the tax as provided in this act unless before the expiration of such period a claim therefor is filed by the taxpayer, and no suit or action to recover on any claim for refund shall be commenced until after the expiration of six months from the date of filing a claim therefor with the director.

Before the expiration of time prescribed in this section for the assessment of additional tax or the filing of a claim for refund, the director is hereby authorized to enter into an agreement in writing with the taxpayer consenting to the extension of the periods of limitations for the assessment of tax or for the filing of a claim for refund, at any time prior to the expiration of the periods of limitations. The periods so agreed upon may be extended by subsequent agreements in writing made before the expiration of the periods previously agreed upon. In consideration of such agreement or agreements, interest due in excess of 48 months on any additional tax shall be waived.

Sec. 12. (a) All revenue collected or received by the director from the tax imposed by this act shall be remitted daily to the state treasurer. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury. The state treasurer shall first credit such amount thereof as the director shall order to the mineral production tax refund fund created under subsection (b) of this section. The state treasurer shall credit the remainder of such amounts as follows: (1) Seven percent to the special county mineral production tax fund created under subsection (c) of this section; and (2) the remainder shall be credited to the state general fund.

(b) A refund fund designated as "mineral production tax refund fund" not to exceed \$50,000 is hereby created for the prompt payment of all tax refunds. The mineral production tax refund 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.

(c) There is hereby created a special county mineral production tax fund. On December 1, 1983, and quarterly thereafter, the director of taxation shall distribute all moneys credited to such fund to the county treasurers of all counties in which taxes were levied under section 2 of this act for the severing and producing of coal, salt, oil or gas from property within the county, in the proportion that the taxes levied upon production in each county bears to the total of all of such taxes levied in all of such counties. Such distribution shall be based on returns filed, with any adjustments or corrections thereto made by the director of taxation.

(d) The secretary of revenue shall make provision for the determination of the counties within which taxes are levied under section 2 of this act for the severance of coal, salt, oil or gas and shall certify the same to the director of accounts and reports.

(e) The director of accounts and reports shall draw warrants on the state treasurer payable to the county treasurer of each county entitled to payment from the special county mineral production tax fund upon vouchers approved by the director of taxation. Upon receipt of such warrant, each county treasurer shall credit 50% of the amount thereof to the county general fund and shall distribute the remaining 50% thereof to the treasurer of each school district all or any portion of which is located within the county in the proportion that the assessed value of coal, salt, oil and gas properties within each district bears to the total of the assessed value of all coal, salt, oil and gas properties within the county. Such assessed valuation shall be determined upon the basis of the most recent November 1 tax roll. The treasurer of each school district shall credit the entire amount of the moneys so received to the general fund of the school district.

Sec. 13. The secretary is hereby authorized to adopt such rules and regulations as may be necessary to administer and enforce the provisions of this act.

Sec. 14. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 15. 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 April 20, 1983.

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

Passed the HOUSE April 21, 1983.

MIKE HAYDEN  
*Speaker of the House.*  
GENEVA SEWARD  
*Chief Clerk of the House.*

APPROVED April 27, 1983.

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 27th day of April, 1983.

(SEAL)

JACK H. BRIER  
*Secretary of State.*

**KANSAS REGISTER**  
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