

KANSAS REGISTER



JACK H. BRIER
Secretary of State

State of Kansas

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



PHONE: 913/296-2236

State of Kansas

**SOCIAL AND REHABILITATION SERVICES
ADULT SERVICES ADVISORY COMMITTEE****NOTICE OF MEETING**

The Adult Services Advisory Committee will meet on Tuesday, June 5, 1984, at 10:30 a.m., in the Staff Development Training Center, 2700 W. Sixth St., Topeka, KS.

ANITA FAVORS
Commissioner of Adult Services

Doc. No. 002188

State of Kansas

SOCIAL AND REHABILITATION SERVICES**REQUEST FOR BIDS FOR AN
OIL AND GAS LEASE**

You are hereby notified that the Secretary of Social and Rehabilitation Services is offering the following described property located in the County of Stafford, State of Kansas, for an oil and gas lease pursuant to the provisions of K.A.R. 30-27-1 through K.A.R. 30-27-5, which regulations are made a part of this offer:

The Southwest Quarter (SW ¼) of Section 24, Township 22, South, Range 13 West. The above contains 160 acres, more or less.

The successful bidder shall be required to pay the costs of this publication before execution of the awarded lease.

The lease will be executed on a standard Kansas lease form with necessary modifications to comply with K.A.R. 30-27-1 through K.A.R. 30-27-5, and shall be for a period not to exceed three (3) years and so long thereafter as oil and gas is being produced therefrom in paying quantities.

The successful bidder shall file an indemnity bond in the amount of fifty thousand dollars (\$50,000) before the execution of the lease, which bond shall remain in effect for six (6) months after the term of the lease and for six (6) months after the plugging of any well.

The lessee shall erect a fence at least eight (8) feet high around any drilling or production devices within one thousand three hundred twenty (1,320) feet of any areas normally used by Winfield State Hospital and Training Center patients.

Bids will be considered on the basis of a cash bonus, annual delay rental, and the amount of royalty to be paid, which shall not be less than twelve and one-half percent (12½%) of the gross proceeds at the prevailing market rate.

Bids shall be submitted upon forms supplied by the Division of Purchases. The bid forms may be obtained from the Winfield State Hospital and Training Center Business Office or the State Division of Purchases, State Office Building, Topeka, Kansas 66612. All bids shall be sealed and accompanied by a certified check or bank draft in the amount of the cash bonus bid payable to the Secretary of Social and Rehabilitation

Services, State Office Building, Topeka, Kansas, and mailed to the Director of Purchases, Division of Purchases, State Dept. of Administration, First Floor, State Office Bldg., Topeka, KS 66612.

Interested bidders may inspect the proposed lease forms in the Business Office of the Winfield State Hospital and Training Center and may also view the land being leased by contacting the Business Office.

The land being leased for oil and gas is presently leased for farming purposes on a cash rental basis. The tenant's rights will be protected.

Bids shall be opened at the Division of State Purchases, State Office Bldg., Topeka, KS at 2:00 p.m. on June 25, 1984. The Secretary of Social and Rehabilitation Services reserves the right to reject any and all bids and to readvertise.

ROBERT C. HARDER
Secretary of Social and Rehabilitation Services

Doc. No. 002186

State of Kansas

SOCIAL AND REHABILITATION SERVICES**OPEN MEETING NOTICE**

Notice is hereby given to all interested parties that the Dept. of Social and Rehabilitation Services will hold an open meeting on June 5, 1984, at 9:00 a.m., in the Staff Development Training Center, Topeka State Hospital.

The scheduled agenda for the open meeting includes:

- Legislative review
- Hearing concerning block grants
- Adoption of proposed temporary administrative regulations
- Public hearing regarding FY 1986 budget matters
- Present proposed community services block grant plan
- Present final social services block grant plan

Telephone hook-ups are provided at the following locations of Social and Rehabilitation Services offices: Chanute, Emporia, Garden City, Hays, Hiawatha, Hutchinson, Junction City, Kansas City, Lawrence, Olathe, Ottawa, Parsons, Pittsburg, Pratt, Salina, Topeka (Area Office and State Office Building), Wichita, and Winfield.

ROBERT C. HARDER
Secretary of Social and Rehabilitation Services

Doc. No. 002187

State of Kansas

COMMISSIONER OF INSURANCE**NOTICE OF HEARING**

TO THE STOCKHOLDERS AND POLICYHOLDERS OF ALLIANCE LIFE INSURANCE COMPANY AND ALL OTHER INTERESTED PARTIES.

You are hereby notified of a hearing to be held in the offices of the State Insurance Department, 420 S.W. Ninth St., Topeka, KS, on the 30th day of May, 1984, at 9:00 a.m., to determine whether the original Form A Acquisition Statement filed by Pacific Standard Life Company was properly completed, whether such material was mailed to shareholders, and whether a deposit must be made as required by K.S.A. 40-3304(e).

Clifford N. Gamble, President of Pacific Standard Life Company (the acquiring party), has filed an application with the Commissioner of Insurance, pursuant to the Kansas Insurance Holding Companies Act, requesting the Commissioner of Insurance to approve its acquisition of an additional twenty percent (20%) or more of the Western States Life Insurance Company of Fargo, North Dakota. Western States Life Insurance Company, in turn, owns one hundred percent (100%) of Alliance Life Insurance Company, of McPherson, KS. This acquisition, together with presently owned shares, will result in Pacific Standard Life Company's ownership of more than ten percent (10%) of the outstanding stock of said companies. The Kansas Insurance Holding Companies Act (K.S.A. 40-3302(c)) provides for a statutory presumption of control where more than ten percent (10%) of the outstanding voting securities of a Kansas insurance company are acquired.

Any interested party may attend and present either oral or written testimony concerning the Form A Acquisition Statement, the mailing requirement, and the deposit requirement.

FLETCHER BELL
Commissioner of Insurance

Doc. No. 002182

(Published in the KANSAS REGISTER, May 24, 1984.)

State of Kansas

DEPARTMENT OF TRANSPORTATION**NOTICE TO CONTRACTORS**

Notice is hereby given that sealed proposals for the construction of road and bridge work in the following Kansas counties will be received at the office of the Chief of Construction and Maintenance, K.D.O.T., Topeka, Kansas, until 10:00 a.m., C.D.T., June 21, 1984 and then publicly opened:

DISTRICT ONE—Northeast

Brown—36-7 M-1311-01—roadside improvement at the west Junction of US-36 and US-75 located approximately 3.519 miles south of Sabetha. (State Funds) Bids on this project will be received only from small business enterprises.

Jefferson—24-44 K-2344-01—2.153 miles bituminous surfacing, beginning approximately at the Jefferson-Shawnee County line, then east on US-24. (State Funds)

Johnson—46 U-0857-01—0.123 mile grading, bituminous surfacing and traffic signals, intersection improvement at 95th Street and Roe Avenue in the Cities of Overland Park and Prairie Village. (Federal Funds)

Johnson—435-46 K-2535-01—3.138 miles bituminous surfacing, beginning approximately at Quivira Road, then east on I-435 to the intersection of I-435 and Metcalf Avenue (US-169). (State Funds)

Shawnee—70-89 K-2469-01—3.654 miles bituminous surfacing, beginning at the Shawnee-Wabaunsee County line, then east on I-70. (Federal Funds)

Shawnee—4-89 K-0829-01—0.284 mile grading, bituminous surfacing and bridge over Mission Creek, beginning approximately 2.0 miles south and 3.0 miles west of the Interchange of K-4 and I-70, then south on K-4. (Federal Funds)

Shawnee—89 U-0856-01—traffic signal installation at five intersections in the City of Topeka; 5th and Topeka, 10th and Topeka, 12th and Topeka, Huntoon and Topeka, and West 10th and MacVicar. (Federal Funds)

Shawnee—24-89 K-2343-01 Pts. I & II—3.570 miles bituminous surfacing, beginning approximately at the intersection of US-24 and Kansas Avenue in the City of Topeka, then east on US-24 to the Shawnee-Jefferson County line. (State Funds)

Shawnee—89 K-2580-01—bituminous surfacing, beginning at the intersection of Fairlawn Road and Cedar Crest Drive, then west on approach road to the parking lot. (Includes drives and off roads.) (State Funds)

Wabaunsee—70-99 K-2468-01—4.158 miles bituminous surfacing, beginning approximately 4.158 miles west of the Wabaunsee-Shawnee County line, then east on I-70. (Federal Funds)

Wabaunsee—70-99 K-0925-01—0.529 mile highway lighting at the weigh station on I-70 located approximately 2.0 miles east of the Interchange of I-70 and K-99. (Federal Funds)

Wabaunsee—70-99 K-2509-01—concrete pavement, installation of sensors at weigh station along I-70 located approximately 2.1 miles east of the Interchange of I-70 and K-99. (Federal Funds)

Wyandotte—Platte County, Missouri—435-105 K-0991-03—superstructure (deck) of two bridges over the Missouri River on I-435. (Federal Funds)

Wyandotte—70-105 K-1421-01—1.867 miles grading, surfacing, seeding and six bridges, beginning approximately 0.319 mile east of 65th Street and I-70, then east on I-70 in the City of Kansas City. (Federal Funds)

Wyandotte—70-105 K-1422-01—1.098 miles grading, surfacing, seeding and four bridges, beginning approximately 0.137 mile east of I-70 and 72nd Street, then east on I-70 in the City of Kansas City. (Federal Funds)

(continued)

Wyandotte—435-105 K-0989-04—four bridges, beginning approximately 0.513 mile north of I-435 and Leavenworth Road, then north on I-435 on new alignment. (Federal Funds)

Wyandotte—435-105 K-0990-03—1.101 miles concrete pavement, beginning approximately at the north end of the bridges over K-5, then north on I-435. (Federal Funds)

Wyandotte—435-105 K-0995-02—2.600 miles signing and delineation, beginning approximately 0.189 mile south of the I-435 and State Avenue Interchange, then north on I-435. (Federal Funds)

Wyandotte—635-105 K-1801-01—expansion joint repair of two bridges on I-635 over the Kansas River in the City of Kansas City. (Federal Funds)

Wyandotte—670-105 K-1656-01—substructure of four bridges, beginning approximately at the Kansas-Missouri State line, then west on I-670 to the Kansas River in the City of Kansas City. (Federal Funds)

Wyandotte—24-105 K-2398-01—0.310 mile highway lighting at the Interchange of US-24 and K-7. (Federal Funds)

Wyandotte—105 U-0919-01—0.111 mile bituminous surfacing and traffic signals, intersection improvement at Parallel Parkway and North 13th Street in the City of Kansas City. (Federal Funds)

DISTRICT TWO—Northcentral

Clay—14 C-0687-01—0.994 mile grading, beginning approximately 4.5 miles north of Green, then east on County Highway FAS 128. (Federal Funds)

Clay—14 C-1246-01—1.148 miles grading, beginning approximately 4.5 miles north and 1.0 mile east of Green, then east on County Highway FAS 128. (Federal Funds)

Dickinson—21 C-1667-01—4.020 miles bituminous recycling and subgrade modification, beginning approximately 4.6 miles south of Chapman, then south on County Highway FAS 124. (Federal Funds)

Geary—70-31 M-1333-01—12.726 miles concrete pavement patching, beginning at the Geary-Dickinson County line, then east and north on I-70 (Reference Points 300.723 E.B. and 302.217 W.B.). (State Funds)

McPherson—59 C-1983-01—2.954 miles bituminous surfacing, beginning approximately at the intersection of County Highway FAS 450 and K-4, then north on County Highway FAS 450. (Federal Funds)

Saline—70-85 K-2401-01—0.388 mile highway lighting at the Interchange of I-70 and Ninth Street in the City of Salina. (Federal Funds)

Saline—85 U-0889-01—0.416 mile grading and bituminous surfacing, intersection improvement at Ninth Street and Magnolia Road in the City of Salina. (Federal Funds)

Saline—85 U-0890-01—0.151 mile grading, surfacing and traffic signals, intersection improvement at Broadway Boulevard and State Street in the City of Salina. (Federal Funds)

Saline—85 U-0891-01—0.063 mile grading and traffic signals, intersection improvement at South Street and Ninth Street in the City of Salina. (Federal Funds)

DISTRICT THREE—Northwest

Russell—70-84 K-2465-01—0.208 mile grading and bituminous surfacing, beginning approximately 2.4 miles east of the Interchange of I-70 and K-257, then east on I-70. (Federal Funds)

Russell—70-84 M-1336-01—18.914 miles cold milling, beginning approximately 3.656 miles east of the Russell-Ellis County line, then east on I-70 to the west end of wearing surface on bridges over Union Pacific Railroad. (State Funds)

DISTRICT FOUR—Southeast

Cherokee—11 C-1806-01—1.991 miles bituminous surfacing, beginning approximately 1.9 miles south and 4.1 miles east of Columbus, then east on County Highway FAS 110. (Federal Funds)

Crawford—69-19 U-0912-01—0.096 mile grading, surfacing and traffic signals, intersection improvement at Broadway (US-69 Alt.) and Jefferson in the City of Pittsburg. (Federal Funds)

DISTRICT FIVE—Southcentral

Reno—14-78 K-1787-01—0.540 mile grading, bituminous surfacing and bridge over Salt Creek, beginning approximately 4.5 miles north of the junction of K-14 and US-50, then north on K-14. (Federal Funds)

Sedgwick—87 U-0883-01—0.075 mile grading and surfacing, intersection improvement at Mosley Avenue and 17th Street in the City of Wichita. (Federal Funds)

Sedgwick—87 C-1544-01—6.026 miles bituminous surfacing, beginning approximately 4.0 miles south of Cheney, then south on County Highway FAS 597. (Federal Funds)

DISTRICT SIX—Southwest

Finney—28 C-2026-01—3.011 miles bituminous surfacing, beginning approximately 1.0 mile west and 4.5 miles south of Holcomb, then south on County Highway FAS 2126. (Federal Funds)

Meade—23-60 K-2382-01—repair of bridge on K-23 over Cimarron River located approximately 0.7 mile north of the Kansas-Oklahoma State line. (Federal Funds)

Proposals will be issued upon request to all prospective bidders who have been prequalified by the Kansas Department of Transportation on the basis of financial condition, available construction equipment, and experience. Also, a statement of unearned contracts (Form No. 284) must be filed. There will be no discrimination against anyone regardless of race, religion, color, sex, physical handicap, national origin or ancestry in the award of contracts.

Plans and specifications for the project(s) may be examined at the offices of the respective County Clerks or at the Kansas Department of Transportation district offices responsible for the work.

JOHN B. KEMP
Secretary of Transportation

Doc. No. 002190

State of Kansas

DEPARTMENT OF TRANSPORTATION

NOTICE TO BIDDERS

Sealed bids on DOT Quotation 6851 for the Sale of Radio Equipment and Repairs located at the Kansas Dept. of Transportation Area Shop, 220 Gage, Topeka, KS; Kansas Dept. of Transportation District Yard, Topeka, KS; Kansas Dept. of Transportation District Yard, Salina, KS; Kansas Dept. of Transportation District Yard, Norton, KS; Kansas Dept. of Transportation District Yard, Chanute, KS; Kansas Dept. of Transportation District Yard, Hutchinson, KS; and Kansas Dept. of Transportation District Yard, Garden City, KS, will be received until 10:00 a.m., Thursday, June 14, 1984.

Bid blanks may be obtained from H. E. Shubert, Purchasing Agent, 7th Floor, State Office Bldg., Topeka, KS; James D. Jones, District Engineer, Topeka, KS; R. L. Anderson, District Engineer, Salina, KS; E. L. Olson, District Engineer, Norton, KS; D. E. Kimbell, District Engineer, Chanute, KS; M. S. Fry, District Engineer, Hutchinson, KS; and E. D. Crockett, District Engineer, Garden City, KS.

JOHN B. KEMP
Secretary of Transportation

Doc. No. 002185

State of Kansas

DEPARTMENT OF HUMAN RESOURCES

NOTICE OF REVIEW
OF GRANT APPLICATIONS

The following applications for federal monies are in the process of review. More information can be obtained from the contact person listed. Comments should be sent to the Kansas Single Point of Contact, Judy Krueger, Kansas Dept. of Human Resources, Office of the Secretary, 401 Topeka Ave., Topeka, KS 66603.

KS840510-002-10418EK—Application for \$610,000 from FmHA to coordinate with \$490,000 from HUD (total of \$1,100,000) for water treatment plant improvements in Howard, KS (Elk County). Contact Patsy Vansickle, City Clerk, 110 N. Pine, Box 335, Howard, KS 67349. Comments due by June 24, 1984.

KS840511-002-66418WY—Application for \$1,231,642 from EPA for a Wastewater Treatment Works grant for Rosedale Main No. 1, Turkey Creek Watershed. Contact Bruce Browne, P.E., Water Pollution Control Department, 701 N. 7th, Room 421, Kansas City, KS 66101, (913) 334-0047. Comments due by June 25, 1984.

KS840515-004-13628SG—Application for \$106,549 to operate "Parent-Child Resource Program" to provide protection against maltreatment to children, ages 0-16. Contact Eleanor Wiebe, Edgerton/St. Joseph Center for Applied Research, 3600 E. Harry, Wichita, KS 67218, (316) 689-4775. Comments due by June 28, 1984.

KS840515-002-13636NE—Application for \$85,015

to study the Impact of Zoning and Building Codes on the Development of Alternative Housing for the Elderly, studying cities over 5,000 persons in Kansas, Nebraska, Iowa and Missouri. Contact Vincent J. Webb, Center for Applied Urban Research, University of Nebraska at Omaha, 60th and Dodge, Omaha, NE 68182, (402) 554-2764. Comments due by June 14, 1984.

KS840515-006-15916BU—Application to National Park Service for \$453,962 (equally matched) for acquisition of land and development of a 9-hole golf course. Contact Patricia M. Stuenkel, City Clerk, P.O. Box 295, Andover, KS 67002. Comments due by June 28, 1984.

KS840516-001-13990SG—Application for \$82,415 to establish a standardized curriculum and training for Homemaker Homehealth Aides in Kansas with 45 hours of classroom training and 30 hours clinical training through seven community colleges in western Kansas and seven eastern Kansas sites receiving Telenet. Contact Judith Reno, Kansas Association of Home Health Agencies, 1900 E. 9th, Wichita, KS 67214, (316) 268-8226. Comments due by June 29, 1984.

KS840517-001-TIP85SG—Transportation Improvement Program for Wichita-Sedgwick County containing all transportation improvements planned for the next 6 years. Contact Willard L. Stockwell, Metropolitan Area Planning Department, City Hall, 10th Floor, 455 N. Main, Wichita, KS 67202-1688, (316) 268-4561. Comments due by June 30, 1984.

The following applications for federal monies under federal assistance programs have been reviewed and returned to the applicant for submission to the federal agencies involved:

KS840510-001-83513BR—Application for \$1,050 for upgrade and repair of emergency siren warning system. John Ruh, 205 E. 8th, P.O. Box 30, Horton, KS 66439, (913) 486-2681.

KS840511-001-13600RL—Application for \$82,506 to operate a Head Start program for 38 children. Yvonne Lacy, Opportunity Pre-school Inc., 2031 Poyntz Ave., Manhattan, KS 66502, (913) 538-4815.

KS840515-003-13600JO—Application for \$144,061 to operate Olathe Head Start School for 66 children, a full year, part day program. Wylene Lipe, Olathe U.S.D. 233, 1005 S. Pitt St., Olathe, KS 66061, (913) 764-3188.

KS840515-001-15916MI—Application to National Park Service for \$227,472 for two lighted softball fields, two soccer fields, tot lot equipment, a group shelter and beach area at Lake Miola in Paola City Park. Edward E. Dawson, City Manager, P.O. Box 409, Paola, KS 66071, (913) 294-2397.

KS840515-005-66418SG—Facilities Plan, Sanitary Sewer District #12, Wichita, KS. Lynn Moore, P.E., Professional Engineering Consultants, 1440 E. English, Wichita, KS 67211.

JERRY SHELOR
Secretary of Human Resources

Doc. No. 002199

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

**NOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR TECHNICAL SERVICES**

Notice is hereby given of the commencement of negotiations for surveying services and sub-soil investigation and soil inspection during construction for the New Administration Building, Osawatomie State Hospital, Osawatomie, KS.

Any questions or expressions of interest should be directed to Gary Price, Division of Architectural Services, 625 Polk, Topeka, KS 66603, telephone (913) 233-9367, prior to June 8, 1984.

JOHN B. HIPPI, AIA
Director, Division of
Architectural Services

Doc. No. 002192

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

**NOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR ARCHITECTURAL SERVICES**

Notice is hereby given of the commencement of negotiations for architectural services for the installation of a Nuclear Magnetic Resonance Imaging System for the University of Kansas Medical Center.

Work involves remodeling for installation within existing space and the acquisition of a new technology magnetic imaging system. This equipment utilizes a superconductive magnet in the 1.5 Tesla range with extreme size and weight (9 tons), heavy power use, extreme heat requiring cryogenic cooling (liquid nitrogen, -320 degrees fahrenheit and liquid helium, -452 degrees fahrenheit) with significant off-gassing ventilation need; high qualitative design demand for extreme radiofrequency shielding, and concentrated computer device accommodation along with high level filtration and air handling systems. Sophisticated and experienced architectural/engineering is essential to successful site preparation when bringing this hazardous equipment into an existing hospital environment and the selected firm or its consultant must show demonstrated competence in past experience for NMR installations.

Any questions or expressions of interest should be directed to Mr. Jack Nelson, 625 Polk, Topeka, KS 66603, telephone (913)233-9367, prior to June 8, 1984.

JOHN B. HIPPI, AIA
Director, Division of
Architectural Services

Doc. No. 002195

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

**NOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR TECHNICAL SERVICES**

Notice is hereby given of the commencement of negotiations for elevator consulting services at Emporia State University.

Emporia State University wishes to employ the services of a consulting firm to survey the existing elevators in the academic buildings on its campus. The services to be performed would include the following for each of thirteen (13) elevators:

(1) Make an inspection to determine the adequacy of maintenance and repair and general appearance of the equipment.

(2) Make performance tests to determine the efficiency and level of adjustment.

(3) Provide a written report covering the inspection including a summary of individual corrective items to be accomplished.

In addition, an overall evaluation of the in-house elevator maintenance shall be made. Written recommendation shall be made as to whether to continue with that in-house maintenance or whether it should be contracted to an outside service company. If the recommendation is to go to an outside service company, then the consulting firm shall develop and provide a written service contract suitable for competitive bidding. In developing the specifications for the service contract, the consulting firm shall take into consideration in-house capabilities in order to develop the most cost-effective contract.

In addition, a separate evaluation shall be made regarding whether or not cathodic protection is needed. If it is, specific written recommendations shall be made.

Special attention shall be given the elevator in the William Allen White Library stacks. General program recommendations, within current handicapped accessibility requirements, for its replacement shall be provided.

The firm selected shall have considerable experience in the design, inspection and maintenance of elevators.

Any questions or expressions of interest should be directed to John Greene, Physical Plant Director, Stormont Maintenance Center, Emporia State University, 1200 Commercial St., Emporia, KS 66801, telephone (316) 343-1200, prior to June 8, 1984.

JOHN B. HIPPI, AIA
Director, Division of
Architectural Services

Doc. No. 002194

**State of Kansas
DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

**NOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR TECHNICAL SERVICES**

Notice is hereby given of the commencement of negotiations for surveying services, sub-soil investigation and soil inspection during construction for the Fred Bramlage Coliseum, Kansas State University, Manhattan, KS.

Any questions or expressions of interest should be directed to James B. Shepard, Office of Facilities Planning, Dykstra Hall, Kansas State University, Manhattan, KS 66506, telephone (913) 532-6377, prior to June 8, 1984.

JOHN B. HIPPI, AIA
Director, Division of
Architectural Services

Doc. No. 002191

**State of Kansas
DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

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

Notice is hereby given of the commencement of negotiations for contracts for architectural and engineering services for the following projects:

ARCHITECTURAL

- New Library, University of Kansas
- Remodeling of Old Boiler Room for Laundry Equipment, University of Kansas Medical Center
- Life Safety Improvements to Plumb Hall, Emporia State University
- Addition to El Dorado Honor Camp, Department of Corrections
- Remodel Biddle Building for Ancillary Services, Osawatomie State Hospital
- Renovation of Grandstand, State Fair, Hutchinson
- Remodeling of Pottawatomie Baptist Mission, Topeka, for Archeology Department, Kansas Historical Society

ENGINEERING

- Need Analysis for New Steam Generating System, Kansas State Penitentiary, Lansing
- Alternate Power Source and Switchgear, State Industrial Reformatory, Hutchinson
- Replace HVAC Systems in Administration Building and Two Cottages, Youth Center at Beloit
- Replace and Insulate Steam and Water Lines, Roth Building, Kansas School for the Deaf, Olathe
- New Waste Water Treatment Facility, Kansas Soldiers Home, Fort Dodge

The State Building Advisory Commission will nominate individuals or firms for the above projects at its June or July meeting. Nominated individuals or firms will be interviewed by negotiating committees at a later date.

In order to be considered, individuals or firms must be on file with the Division of Architectural Services. Any architect or architectural firm not on file but having a Kansas office staffed by one or more architects licensed by the State Board of Technical Professions may contact Jack Nelson, Division of Architectural Services, 625 Polk St., Topeka, KS 66603, (913) 233-9367 to achieve eligibility. The requirement of a Kansas office does not apply to engineers and engineering firms, but they must be permitted by law to practice and be on file with the Division to be eligible. All expressions of interest must be received by Mr. Nelson not later than June 8, 1984 and only eligible individuals or firms will be considered.

Negotiations for ancillary technical services will be conducted for the above projects as required. Such services shall include but not be limited to geo-technical and other soil or subsurface investigation and testing services, surveying, adjusting and balancing of

(continued)

**State of Kansas
DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES**

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

Notice is hereby given of the commencement of negotiations for engineering services to prepare contract documents and professional consultation for revisions to the ventilation system for Rarick Hall at Fort Hays State University in Hays, KS.

Interested firms must be permitted by law to practice engineering in the state of Kansas.

Questions and expressions of interest should be directed to Francis O. Murray, Director of Physical Plant and Planning, Fort Hays State University, Hays, KS 67601, telephone (913) 628-4424, prior to June 8, 1984.

JOHN B. HIPPI, AIA
Director, Division of
Architectural Services

Doc. No. 002200

HVAC and other mechanical building systems, infrared testing and other consultant services.

The above listed projects are line item appropriations made by the 1984 Legislature. Other projects requiring professional services may appear from other fund sources. Any additional information or questions regarding the above or other projects should be directed to Jack Nelson at the Division of Architectural Services.

JOHN B. HIPPI
Director, Division of
Architectural Services

Doc. No. 002193

State of Kansas

ATTORNEY GENERAL

OPINION NO. 84-40

State Boards, Commissions and Authorities—Kansas Highway Patrol—Patrol Created; Restrictions. Bert Cantwell, Superintendent, Kansas Highway Patrol, Topeka, May 14, 1984.

In conformity with the provisions of K.S.A. 1983 Supp. 74-2113(e), as amended by Section 1 of 1984 Senate Bill No. 745, members of the Kansas Highway Patrol:

1. May be members of political clubs, but not officers of said clubs or members of a committee of such a club;
2. May not work as a volunteer for a partisan candidate, but may work as a volunteer for a non-partisan candidate for public office;
3. May put a political sign in their yards;
4. May place a candidate's bumper sticker on their personal automobiles;
5. May contribute money to a candidate's campaign committee, but may not engage in fund-raising activities for a partisan candidate;
6. May be a candidate in a nonpartisan contest for city council or school board;
7. May not be a partisan candidate for a political office, even if they take a leave of absence without pay prior to filing for the office, with the understanding they would either resign or come back to work once the outcome of the election is known;
8. May attend a political rally when on an off-duty status, provided the member does not engage in any prohibited activity at said rally.

Cited herein: K.S.A. 1983 Supp. 74-2113, as amended by 1984 Senate Bill No. 745, 5 U.S.C.A. § 7324, U.S. Const., First Amend. TRH

ROBERT T. STEPHAN
Attorney General

Doc. No. 002184

State of Kansas

**DEPARTMENT OF
HEALTH AND ENVIRONMENT**

**NOTICE OF HEARING
ON INTENT TO SEEK HAZARDOUS
WASTE PROGRAM APPROVAL FROM THE
U. S. ENVIRONMENTAL PROTECTION AGENCY**

The Kansas Department of Health and Environment (KDHE) plans to submit an application to the U. S. Environmental Protection Agency for full authorization of its hazardous waste program under the provisions of Subtitle C of the Resource Conservation and Recovery Act (RCRA). The secretary will carry out the provisions of K.S.A. 65-3430 *et seq.* and K.A.R. 28-31-1 through K.A.R. 28-31-13 in conducting such a program. The program will inspect and monitor the compliance with the aforementioned statutes and regulations by all hazardous waste generators, transporters and treatment, storage and disposal facilities.

Copies of the application will be available for public review at the following KDHE offices from 8:00 a.m. to 4:30 p.m. weekdays from May 24, 1984 through June 25, 1984: 1) Room 131, Bldg. 321, Forbes Field, Topeka, KS; 2) 128 Oak, Suite 2, Bonner Springs, KS; 3) 2501 Market Place, Suite D, Salina, KS; 4) 1014 Cody Ave., Hays, KS; 5) 202 Century Plaza Bldg., 111 W. Douglas, Wichita, KS; 6) 1 West Ash, Chanute, KS; 7) 302 W. McArtor, Dodge City, KS.

A public hearing will be held on Monday, June 25, 1984, at 10:00 a.m., in the auditorium of the Topeka-Shawnee County Health Department, 1615 W. 8th, Topeka, KS, to receive written and oral comments on the application. All interested parties may submit written comments at any time prior to the hearing by addressing them to the Secretary, Kansas Department of Health and Environment, Forbes Field, Topeka, KS 66620.

Questions regarding the application or requests for copies should be addressed in writing or by telephone to John Paul Goetz, Bureau of Waste Management, Kansas Department of Health and Environment, Forbes Field, Topeka, KS 66620 (telephone 913-862-9360). Copies can be obtained at a cost of 25¢ per page if mailed or 15¢ per page if not mailed.

BARBARA SABOL
Secretary of Health and Environment

Doc. No. 002197

State of Kansas

LEGISLATURE

INTERIM AGENDA

Notice is hereby given to interested parties that the following legislative committee meetings have been scheduled.

DATE	ROOM	TIME	COMMITTEE
June 1	527-S	10:30 a.m.	Legislative Coordinating Council
June 12	Governor's Office	8:30 a.m.	State Finance Council
June 14	527-S	Time to be announced	Joint Committee on Special Claims Against the State
June 15	527-S		
June 18	514-S	Time to be announced	Joint Committee on Administrative Rules and Regulations
June 19	514-S		

WILLIAM R. BACHMAN
Director of Legislative
Administrative Services

Doc. No. 002198

State of Kansas

OFFICE OF JUDICIAL ADMINISTRATION

SUPREME COURT DOCKET

(NOTE: Dates and times of arguments are subject to change.)

Monday, June 4, 1984

Case Caption	Attorneys	Originating County
56,310 State of Kansas, appellee, v. Melvin L. McCaine, appellant.	9:30 a.m. Robert T. Stephan, Atty. Gen.; Geary N. Gorup, Asst. Dist. Atty.	Sedgwick
55,817 State of Kansas, appellee, v. Bobby G. Harper, appellant.	Leonard F. Watkins, Jr. Robert T. Stephan, Atty. Gen.; Geary N. Gorup, Asst. Dist. Atty.	Sedgwick
56,190 Misco Industries, Inc., and City of Wichita, appellees, v. The Board of County Commissioners of the County of Sedgwick, et al., appellants.	Kenton D. Wirth. Richard W. Stavely; Bernard Borst.	Sedgwick
55,954 William G. Schraft, appellant, v. Dan Leis, et al., appellees.	Richard A. Euson. Kenton D. Wirth. Gary M. Austerman; J. Michael Morris.	Sedgwick
55,832 State of Kansas, appellee, v. Howard Roudybush, appellant.	1:30 p.m. Robert T. Stephan, Atty. Gen.; John D. Watt, Co. Atty.	Pottawatomie
56,147 Scott E. Standish, appellee, v. Kansas Department of Revenue, appellant.	John C. Humpage. Dennis J. Keenan. William L. Edds; Brian Cox.	Barton

ON PETITION FOR REVIEW

- | | | | |
|------------------------------|--|---|-----------|
| 55,695 | Ronald C. Moser, appellee,
v.
Director of Vehicles of the State of
Kansas, appellant. | G. Craig Robinson.
Brian Cox. | Sedgwick |
| 56,494 | Richard Wortman and Hazel Moore,
Individually and as representatives of all
producers and royalty owners to whom
Sun Oil Company has made or should
make payment of suspended proceeds or
royalties pursuant to FPC opinions or
FERC, appellees,
v.
Sun Oil Company, A Delaware
Corporation, appellant. | W. Luke Chapin;
Ed Moore.

Gerald Sawatsky. | Barber |
| Tuesday, June 5, 1984 | | | |
| 9:30 a.m. | | | |
| 56,452 | State of Kansas, appellant,
v.
Claudia Diane Brown, appellee. | Robert T. Stephan, Atty. Gen.;
Paul J. Morrison, Asst. Dist. Atty. | Johnson |
| 56,154 | State of Kansas, appellee,
v.
Daniel Allen Wood, appellant. | Lonnie Hamilton.
Robert T. Stephan, Atty. Gen.;
Dennis Moore, Dist. Atty. | Johnson |
| 56,278 | Shawnee Mission Medical Center,
appellee,
v.
Kansas Department of Health and
Environment and Barbara J. Sabol,
appellant. | Robert L. Morse.
Reid F. Holbrook. | Johnson |
| 56,172 | Capitol Federal Savings & Loan
Association, a Corporation, appellee,
v.
Glenwood Manor, Inc., a Kansas
Corporation, <i>et al.</i> , appellants. | Emily E. Cameron;
Kay Rute.

John Anderson III;
Brian C. McCormally.

Paul E. Vardeman;
Frank J. Ross;
Gerard H. Donovan;
David K. Fromme. | Johnson |
| 1:30 p.m. | | | |
| 55,890 | State of Kansas, appellee,
v.
Mustafa A. Abu-Isba, appellant. | Robert T. Stephan, Atty. Gen.;
Frank D. Diehl, Asst. Atty. Gen.;
Colt Knutson, Co. Atty. | Riley |
| 56,185 | Robert-Gay Energy Enterprises, Inc.,
appellee,
v.
State Corporation Commission of Kansas,
<i>et al.</i> , appellants. | Robert L. Pottroff.
Robert Taylor;
Timothy McCoy;
Mark Adams II. | Edwards |
| 55,368 | State of Kansas, appellee,
v.
Bradley R. Boan, appellant. | Brian J. Moline;
Susan Ellis.
Robert T. Stephan, Atty. Gen.;
Nick A. Tomasic, Dist. Atty.

Jay H. Vader. | Wyandotte |

(continued)

- 55,901 In Re Petition of the City of Shawnee to County Commissioners of Johnson County, Kansas, for Annexation of Certain Lands Pursuant to K.S.A. 12-521, appellee,
v.
Builders Sand Company, a Corporation, et al., appellants.
- James T. Wigglesworth;
Lyndus A. Henry.
- Johnson
- C. W. Crumpecker, Jr.;
Allen R. Slater;
Charles O. Thomas;
Peggy Grant Cobb;
D. H. Corson, Jr.;
Gerald E. Williams.
- consolidated with
56,249 The City of Bonner Springs, Kansas, A Municipal Corporation, appellant,
v.
The City of Shawnee, Kansas, A Municipal Corporation, appellee.
- D. H. Corson, Jr.
- Johnson
- James T. Wigglesworth.

Wednesday, June 6, 1984

9:30 a.m.

- 56,325 Christine E. Roberson, appellant,
v.
G. Ed Counselman, appellee.
- Janet Jo Smith;
Jerry K. Levy.
- Shawnee
- 56,047 Michael Bowman, appellant,
v.
Harold Doherty, appellee.
- Thomas E. Wright;
Marla J. Luckert.
Patrick Nichols.
- Shawnee
- 56,202 Unified School District No. 501, appellant,
v.
Secretary of the Kansas Department of Human Resources, appellees, National Education Association-Topeka, Intervenor.
- Myron Listrom;
Alan V. Johnson.
William G. Haynes.
- Shawnee
- 55,864 Highland Park Bank & Trust Company, appellant,
v.
Blue Sky of Topeka, Inc., et al., appellees.
- Ronald H. Baxter;
Frank W. Layman;
David M. Schauner.
James S. Willard.
- Shawnee
- Wendell F. Cowan, Jr.

1:30 p.m.

- 56,300 State of Kansas, appellee,
v.
James C. Turbeville, appellant.
- Robert T. Stephan, Atty. Gen.;
C. William Ossmann, Asst. Dist. Atty.
- Shawnee
- 56,271 Board of County Commissioners of Neosho County, ex rel., Board of Trustees, Neosho Memorial Hospital, appellees,
v.
Central Air Conditioning Company, Inc., et al., appellant.
- Ronald E. Wurtz.
Louis V. Eisenbarth.
- Neosho
- 55,934 State of Kansas, appellee,
v.
Richard E. Clevenger, appellant.
- Stewart L. Entz.
- Robert T. Stephan, Atty. Gen.;
Edwin H. Bideau III, Co. Atty.
- Neosho
- Edward W. Dosh.

(continued)

Thursday, June 7, 1984

9:30 a.m.

- 56,148 Evelyn M. Cory, Administratrix of the Estate of Leonard Cory, Deceased, and Evelyn M. Cory, Individually, appellee, Joseph Jeter. Ellis
- v.
- 55,529 The Binkley Company and Aetna Insurance Company, appellants. Ross Wichman; Glenn Braun. Ness
- Chester Barrows, appellant, Richard D. Coffelt. ON PETITION FOR REVIEW
- v.
- 56,142 City of Ness City, Kansas, *et al.*, appellees. Tom Fiegel. Reno
- Steven M. Turnbull, appellee, Larry A. Bolton; Dennis Webb.
- v.
- 55,195 Gary E. Byram, appellant, and The City of Hutchinson, Kansas, appellee. J. Stanley Hill; Philip Alexander. Reno
- Turon State Bank, appellant, Robert E. Nugent III. ON PETITION FOR REVIEW
- v.
- William R. Bozarth, appellee. Richard A. Benjes; William F. Bradley, Jr.

1:30 p.m.

- 56,155 D. William Provance, appellee, D. William Provance. Johnson
- v.
- 55,269 Shawnee Mission Unified School District No. 512, *et al.*, appellees, and Jack Balsinger and Ronald Blecke, appellants. John L. Vratil; Lyndus A. Henry; Lori S. Klarfeld; Norman E. Gaar. Riley
- Waunetta Atkinson, appellant, David M. Schauner; Diane L. Hull. ON PETITION FOR REVIEW
- v.
- 54,854 Board of Education, Unified School District No. 383, appellee. Richard H. Seaton. Cowley
- Union State Bank, a State Banking Corporation, appellee, James J. McGannon. ON PETITION FOR REVIEW
- v.
- Don F. Reynolds, Sandra J. Reynolds, and Jay Reynolds, appellants. Susan K. McKee; Brian G. Grace; David P. Calvert.

Friday, June 8, 1984

9:30 a.m.

- 56,465 State of Kansas, appellee, Robert T. Stephan, Atty. Gen.; Dave Debenham, Asst. Dist. Atty. Shawnee
- v.
- 55,420 Edward D. Granado, appellant. Max Rowinsky. Shawnee
- Capitol Federal Savings & Loan Association, a Corporation, appellee, Carl Quarnstrom. ON PETITION FOR REVIEW
- v.
- 56,330 Loren H. Hohman, Betty Lou Hohman, *et al.*, appellants. Thomas W. Regan; Ralph Skoog; Ronald W. Fairchild. Original
- State of Kansas, Petitioner, Arno Windscheffel.
- v.
- Loren H. Hohman, Jr., Respondent. John C. Frieden; Loren H. Hohman, Jr.

LEWIS C. CARTER
Clerk of the Appellate Courts

State of Kansas

OFFICE OF JUDICIAL ADMINISTRATION

COURT OF APPEALS DOCKET

(NOTE: Dates and times of arguments are subject to change.)

KANSAS COURT OF APPEALS

COURT OF APPEALS COURTROOM, 3RD FLOOR, OLD SEDGWICK COUNTY COURTHOUSE
541 NORTH MAIN, WICHITA, KANSAS

Before ABBOTT, P.J., MEYER and BRISCOE, JJ.

Wednesday, May 30, 1984

Case No.	Case Name	Attorney	County
1:00 p.m.			
55,823	John D. Grothe, Individually & as Administrator of the Estate of Carol A. Grothe; & Erin M. Grothe, minor, by & through her father & natural guardian, John D. Grothe, appellants, v. Joseph Gateno, M.D., appellee.	Mark B. Hutton.	Barton
56,103	Edward R. DeCook, appellee, v. National Supply Co. & Maryland Casualty Co., appellants, & Workers' Compensation Fund.	Lee Turner. Robert L. Feldt.	Barton
56,041	Robert W. Henkle, v. Joseph P. Walter, d/b/a Joe's Champlin Service, appellees, & White & Ellis Drilling, Inc. & United States Fidelity & Guaranty Co., appellants.	Robert L. Feldt. Tom Berscheidt. Warren H. Kopke.	Barton
56,057	John W. Franz, appellee, v. Central Capital Holdings, Inc., & Brad Schoech & Weldon B. McPhail, appellant.	Larry A. Bolton. Richard J. Rome.	Reno
55,558	State of Kansas, appellee, v. Ronald G. Schreiber, appellant.	Atty. Gen.; Michael E. Cleary, Asst. Co. Atty. John F. Jones II.	Harvey
Thursday, May 31, 1984			
9:00 a.m.			
55,930	David Beasley, appellee, v. State Farm Mut. Automobile Ins. Co., appellant.	Kelly Johnston. Jerry G. Elliott.	Sedgwick
55,829	R. A. Whortan, appellee, v. Angela M. Whortan, appellant.	Steven D. Gough. Richard H. Rumsey; Stephen B. Plummer.	Sedgwick

(continued)

56,050	Bernard G. Gonzales & Lawana L. Gonzales, Plaintiffs, v. Gary T. Callison & Juanita R. Callison, v. Marlys Majors & Sally Parker, d/b/a D.C. Clark Real Estate Co., & Director of the Kansas Real Estate Comm., Intervenor, appellant.	Rodney H. Busey. David G. Crockett. Les Diehl; Thomas E. Wright; Rodney R. Peer.	Sedgwick
56,027	State of Kansas, appellee, v. David Sloan, appellant.	Atty. Gen.; Jim Pringle, Co. Atty. William C. Weber.	Sumner
56,446	Gary Wayne Teer, appellant, v. State of Kansas, appellee.	J. Michael Smith. Atty. Gen.; C. Douglas Wright, Co. Atty.	Cowley
55,567	Leland L. Crist & John B. Unruh, co-partners, d/b/a Crist & Unruh, appellants, v. Ark River Valley Farms, Inc. & Diamond Seven Farm & Ranch Co., appellees.	Kenneth P. Soden. T. Randall Wright; Van Smith.	Kearney
<i>1:00 p.m.</i>			
55,668	Kevin L. Stetler, appellant, v. Teresa Hagedorn Fosha, appellee.	Jerry M. Ward. Robert Adrian.	Riley
56,011	Manhattan Production Cr�dit Association, appellee, v. James I. Steele, appellant.	Thomas Malone. James I. Steele.	Morris
56,071	In the Matter of the Marriage of Gregory A. Mayfield & Janice McClintock, formerly known as Janice Mayfield.	James L. Burgess for appellant. G. Knute Fraser for appellee.	Sedgwick
56,124	Ronnie J. Hon, appellant, v. Marsha A. Hon, appellee.	Harry L. Depew. James L. Burgess.	Wilson
<i>Friday, June 1, 1984</i>			
<i>9:00 a.m.</i>			
55,919	Katherine Clouston, appellant, v. Board of Education, Unified School Dist. No. 268, appellee.	David M. Schauner. William H. Dye.	Sedgwick
55,836	Paul L. Fogle, appellant, v. Donald E. Budy & The Firestone Co., appellees, Donald E. Budy, v. The Firestone Tire & Rubber Co.	Patrick J. Michaud. Nicholas S. Daily. Paul McCausland.	Sedgwick
56,113	In the Matter of the Marriage of Rochelle Lavand & Jack Levand, a/k/a Jack B. Levand.	Walter C. Williamson for appellee. Harry W. Saums for appellant.	Sedgwick
55,716	William J. Dykes, Administrator of the Estate of Harold L. Vaughn, appellee, v. Fay W. Glasco, appellant.	Tim Connell. Jeffery L. Carmichael.	Sedgwick

(continued)

- 56,166 Melvin E. Sullivan & Doris K. Sullivan,
husband & wife, d/b/a M & D Oil Co.,
appellants,
v.
Morris B. Fell, d/b/a Fell & Wolfe Oil
Co., Cities Service Co., & Thomas
Jackson Wright, appellees.
- Orlin L. Wagner.
Thomas A. Wood;
O. J. Connell, Jr.;
James L. Hargrove.
- Butler

KANSAS COURT OF APPEALS
JOHNSON COUNTY COURTHOUSE, DIV. #6, COURTROOM 300
OLATHE, KANSAS

Before FOTH, C.J., PARKS and SWINEHART, JJ.

Tuesday, June 5, 1984

9:00 a.m.

- 56,031 Marvin G. Luttrell, appellant,
v.
United Telephone System, Inc., appellee.
- 55,452 State of Kansas, appellee,
v.
Allen J. Roe, appellant.
- 56,088 Julie Smith, appellee,
v.
Vanguard Products Corp. & Charles
Hadden, appellants.
- 55,910 In the Matter of the Estate of Birdie
Gillum, Deceased.
- 56,121 Frank P. Santillan, appellant,
v.
Bd. of County Commissioners of
Wyandotte County & John Quinn, Sheriff
of Wyandotte Co., Kansas, appellees.
- 56,275 Lois Roberts, appellant,
v.
Life Ins. Co. of Kansas, Inc., appellee.
- 56,158 Thomas J. Allegri, appellant,
v.
Providence-St. Margaret Health Center, et
al., appellees.
- 56,072 Nelcine Simms, appellee,
v.
Metropolitan Life Ins. Co., appellant,
v.
Fairfax Institute for Sobriety, Inc.,
appellee.
- 56,108 In the Matter of the Application for a
Writ of Habeas Corpus by Vincent
Nardone, Jr.
- Brian T. Meyers;
Thomas L. Thurston;
Richard M. Smith.
- Paul Hasty, Jr.
Atty. Gen.;
Paul Morrison, Asst. D.A.
- John C. Amorosa.
Gerald N. Jeserick.
- Glenda Lyons.
- J. R. Russell for appellant.
- Muriel Yates Harris;
Robert C. Miller;
John P. Biscanin.
James F. Foster.
- Scott K. Logan.
- Dennis L. Horner.
- Frank C. Weidling.
- 1:00 p.m.
- R. Lawrence Ward;
Edward J. White.
- N. Jack Brown.
- Laurence M. Jarvis;
Frank D. Menghini;
Jeanne Gorman Rau;
William Toppeta.
- Robert D. Loughbom.
- Ruben Jorge Krisztal.
- Robert E. Davis, Co. Atty.
- Johnson
- Johnson
- Wyandotte
- Wyandotte
- Wyandotte
- Wyandotte
- Wyandotte
- Wyandotte
- Wyandotte
- Leavenworth

(continued)

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|--------|---|---|-------------|
| 56,261 | In the Matter of the Application of Pete Silva Sloss for a <i>Writ of Habeas Corpus</i> . | Ruben Jorge Krisztal.
Robert E. Davis, Co. Atty. | Leavenworth |
| 56,235 | Inge A. Heintzleman, <i>et al.</i> , appellee,
v.
Kansas State Penitentiary, <i>et al.</i> , appellant. | Sheila Janicke.

Robert D. Beall;
James E. Martin. | Leavenworth |

Wednesday, June 6, 1984

9:00 a.m.

- | | | | |
|--------|--|--|-----------|
| 55,382 | Bonnie M. Wakefield, appellant,
v.
Neal C. Huggins, Defendant, Richard C. Huggins, Third Party Plaintiff, appellees,
v.
Bonnie M. Wakefield, Third Party Defendant. | Keith Martin.

Allen R. Slater. | Johnson |
| 55,966 | Eugene W. Morgan, Astral Energy Corporation & City of Lenexa, KS., appellants,
v.
Clay L. Wirt, John J. Franke, Jr., & Robert C. Bacon, as the Bd. of Co. Commissioners of Johnson County, Ks., & United Development Co., Inc., appellees. | C. Maxwell Logan;
Nancy Schmidt Roush;
R. Scott Beeler.

Frank Taylor;
Lyndus A. Henry. | Johnson |
| 56,109 | Kenneth L. Grady, appellant,
v.
Gwynn A. Grady, appellee. | Joann Cook.

John J. Gardner. | Johnson |
| 56,265 | Judith K. Whisler,
v.
Howard K. Whisler, appellee (Secretary, Kansas State Department of Social & Rehabilitation Services, appellant). | James C. Thompson.
J. A. Robertson. | Wyandotte |
| 56,234 | Theodus Johnson, appellant,
v.
Gregory Simmons, appellee. | Steven D. Alexander.

W. James Foland Shughart;
Timothy P. Egbert;
Steven D. Ruse. | Wyandotte |
| 56,416 | Famous R. Jones, appellant,
v.
State of Kansas, appellee. | William W. Hutton.

Atty. Gen.;
Nick Tomasic, D.A. | Wyandotte |

1:00 p.m.

- | | | | |
|--------|--|---|----------|
| 56,117 | Ivan Wade, <i>et al.</i> , appellants,
v.
Raymond H. Rodewald, appellee. | Thomas DeCoursey.

Craig S. Powell. | Miami |
| 56,064 | Northeast Kansas Production Credit Association, appellee,
v.
Ralph G. Adams, <i>et al.</i> , appellants. | Richard O. Skogg.

Carl S. Black. | Anderson |
| 55,988 | Carol Abernathy, appellant,
v.
William Fair, appellee. | Jack Klinknett.

M. Dean Burkhead. | Douglas |

LEWIS C. CARTER
Clerk of the Appellate Courts

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 Bldg., Topeka, KS, until 2:00 p.m., CST or DST, whichever is in effect on the date indicated, and then will be publicly opened:

MONDAY, JUNE 4, 1984

#25874 (Supplement)

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

#26049

Statewide—CANNED GOODS

#26058

University of Kansas Medical Center, Kansas City—HEMATOLOGY CONTROLS

#26059

University of Kansas Medical Center, Kansas City and University of Kansas, Lawrence—COAGULATION TEST MATERIAL AND SUPPLIES

#57969

University of Kansas Medical Center, Kansas City—HPLC

#57971

University of Kansas Medical Center, Kansas City—RECLINING CHAIRS

#57972

University of Kansas Medical Center, Kansas City—WOOD STACKING CHAIRS

#57973

Emporia State University, Emporia—REFURBISH RUNNING TRACK in Welch Stadium

#57974

Department of Transportation, various locations—LUBRICATING OIL

#57975

Department of Revenue, Topeka—MAILING OF 1984 TAX BOOKLETS

#57976

University of Kansas Medical Center, Kansas City—EXHAUST HOODS AND FANS

#57977

Wichita State University, Wichita—SEWER CLEANER

#57978

Wichita State University, Wichita—MICROCOMPUTER SYSTEMS

#57980

Emporia State University, Emporia—WORD PROCESSING SYSTEM

#57982

Department of Transportation, Topeka—BRUSH CHIPPING MACHINE

#57983

Kansas State Penitentiary, Lansing—ROTA-SCREW AIR COMPRESSOR

#57984

Department of Transportation, various locations—SNOW PLOW, REVERSIBLE TRIP EDGE

#57990

University of Kansas, Lawrence—FUEL OIL, #5 LIGHT

#57991

Kansas State University, Manhattan—PLATE

READER, SPECTROPHOTOMETER AND CHROMATOGRAPH

#57992

Kansas State University, Manhattan—LIQUID SCINTILLATION COUNTING SYSTEM

#57993

Wichita State University, Wichita—LASER DOPPLER ANEMOMETRY SYSTEM

#57994

University of Kansas Medical Center, Kansas City—DUST COLLECTOR

#57995

Kansas State University, Manhattan and University of Kansas Medical Center, Kansas City—CASSETTE RECORDERS

#57999

University of Kansas Medical Center, Kansas City—EXTERIOR WINDOW PAINTING

#58052

Department of Social and Rehabilitation Services, Topeka—WORD PROCESSOR, Olathe

TUESDAY, JUNE 5, 1984

#A-4914(a)

University of Kansas, Lawrence—FURNISH AND ERECT PRE-ENGINEERED BUILDING, Law Enforcement Training Center, Hutchinson

#A-4939

Wichita State University, Wichita—CONSTRUCT PARKING LOT, South Blake Hall

#A-4945

Kansas State University, Manhattan—SWIMMING POOL REPAIR, Edwards Hall

#26055

University of Kansas, Lawrence—JULY (1984) MEAT PRODUCTS

#26056

Statewide—JULY (1984) MEAT PRODUCTS

#57979

Kansas State University, Manhattan—TERMINALS AND CONTROLLER

#57981

Department of Social and Rehabilitation Services, Topeka—PRINTER AND ALLIED EQUIPMENT FOR THE BLIND

#57996

University of Kansas Medical Center, Kansas City—SCINTILLATION COUNTER

#57997

Larned State Hospital, Larned—BLOOD CELL COUNTER

#57998

Department of Transportation, Salina—GRAIN DRILL

#58041

Department of Revenue, Topeka—CONTINUOUS FORMS, 1985 ESTIMATED TAX MAILERS, various locations

#58042

Kansas State University, Manhattan—NMR SPECTROMETER MODIFICATION

#58043

Kansas State University, Manhattan—DIGITAL PHOTOTYPESETTER

#58044

Kansas State Fair, Hutchinson—STEEL BUILDING PANELS AND ACCESSORIES

(continued)

#58045
University of Kansas Medical Center, Kansas City—
RADIOACTIVE WASTE DISPOSAL

#58046
Kansas State University, Manhattan—PLATFORM
BALANCE AND SCALES

#58047
University of Kansas, Lawrence—TOOL SETS AND
CABINETS

#58048
Fort Hays State University, Hays—FARM TRACTOR

#58049
Wichita State University, Wichita—LOUNGE FUR-
NITURE

#58050
Kansas State University, Manhattan—LOUNGE FUR-
NITURE

#58051
University of Kansas Medical Center, Kansas City—
RECONDITIONED RESPIRATORY THERAPY
EQUIPMENT

#58076
University of Kansas Medical Center, Kansas City—
MICROCOMPUTER SYSTEM

#58161
Emporia State University, Emporia—MICROCOM-
PUTER SYSTEM

WEDNESDAY, JUNE 6, 1984

#A-PR-1317
University of Kansas, Lawrence—ONE-PLY ROOF-
ING SYSTEMS INSTALLATION, Moore Hall

#A-4839
Kansas School for the Deaf, Olathe—REPLACE TILE
ROOF, Roth Administration Building

#26051
University of Kansas Medical Center, Kansas City—
AUTOCLAVES, WASHER-STERILIZER MAINTEN-
ANCE

#26053
Department of Administration, Buildings and
Grounds, Topeka—ELEVATOR MAINTENANCE,
Health Building #740 at Forbes Field

#26054
Department of Administration, Buildings and Grounds
Services, Topeka—ELEVATOR MAINTENANCE, Kan-
sas Judicial Center

#58000
Department of Administration, Division of Information
Systems and Computing, Topeka—COMPUTER DE-
VELOPMENT METHODOLOGY

#58053
University of Kansas Medical Center, Kansas City—
LAB FREEZER AND INCUBATOR SHAKER

#58054
Kansas State University, Manhattan—MICROSCOPE

#58055
Kansas State University, Manhattan—LABORATORY
EQUIPMENT AND SUPPLIES

#58056
Kansas State University, Manhattan—GAMMA
COUNTER

#58057
Kansas State University, Manhattan—MICROSCOPES

#58060
Attorney General, Topeka—WORD PROCESSING
SYSTEM

#58077
Department of Transportation, various locations—
SCARIFIER ATTACHMENT

#58078
Department of Transportation, Topeka—ENGINE
ANALYZERS

#58079
Department of Social and Rehabilitation Services, To-
peka; Emporia State University, Emporia; University of
Kansas, Lawrence; and Kansas State University, Man-
hattan—CRT WORK STATIONS, various locations

#58082
Wichita State University, Wichita—PLAIN PAPER
COPIER

#58083
Department of Transportation, various locations—AG-
GREGATE FOR BASE CONSTRUCTION AB-3 and
MRA- AGGREGATE

#58119
Department of Transportation, various locations—
PAVEMENT BREAKERS

#58120
Department of Transportation, Topeka—SELF-
PROPELLED ROLLER

#58121
Kansas State School for the Deaf, Olathe—HEARING
RECEIVER AND TRANSMITTER

#58122
University of Kansas Medical Center, Kansas City—
INFANT INTENSIVE CARE ISOLETTE

#58123
University of Kansas Medical Center, Kansas City—
RADIANT INFANT WARMER

#58146
Kansas State University, Manhattan—NETWORKING
HARDWARE

THURSDAY, JUNE 7, 1984

#58058
Emporia State University, Emporia—VIDEO EQUIP-
MENT

#58059
University of Kansas, Lawrence—DISK DRIVE

#58061
Department of Social and Rehabilitation Services, To-
peka—INTEGRATED OFFICE INFORMATION SYS-
TEM

#58080
Department of Health and Environment, Topeka—
DIGESTION SYSTEM AND REFRIGERATED
COOLER

#58081
University of Kansas, Lawrence—LAB APPARATUS

#58117
University of Kansas Medical Center, Kansas City—
HEART AND RESPIRATION RATE MONITORS

#58118
University of Kansas Medical Center, Kansas City—
CUTANEOUS GAS SYSTEM MONITOR

#58124
University of Kansas Medical Center, Kansas City—
OXYGEN BLENDERS, MEDICAL

#58142
Department of Transportation, Hutchinson—ELEC-
TRIC AIRLESS SPRAYERS

#58143
Department of Social and Rehabilitation Services,
various locations—CONTINUOUS FORMS, "CASE
STATUS" 310-T

#58144
Kansas State University, Manhattan—PARKING PER-
MITS

(continued)

#58145

Department of Transportation, Norton—PORTABLE ASPHALT STORAGE TANK

#58147

Kansas State Historical Society, Topeka—DESIGN, CONSTRUCTION AND INSTALLATION OF A PRAIRIE HABITAT DIORAMA EXHIBIT

#58149

Wichita State University, Wichita—UNBLEACHED SHEETING AND VELOUR DRAPERY FABRIC

#58150

Kansas State Fair, Hutchinson—LUMBER

#58151

Emporia State University, Emporia—ATHLETIC CLOTHING AND SUPPLIES

#58152

Fort Hays State University, Hays; Kansas State University, Manhattan; and Adjutant General's Department, Topeka—FLOOR CARE MACHINES AND FLOOR CARE

#58153

Kansas State University, Manhattan—MISCELLANEOUS KITCHEN EQUIPMENT

#58154

Department of Social and Rehabilitation Services, Topeka—BLINDMADE BROOMS

#58155

University of Kansas Medical Center, Kansas City—CHROMATOGRAPHY APPARATUS, V.A. Medical Center, Kansas City, Missouri

#58156

Kansas Technical Institute, Salina and Pittsburg State University, Pittsburg—WELDING EQUIPMENT

#58157

Kansas State Fair, Hutchinson—ALUMINUM SEAT-BOARDS

#58158

University of Kansas, Lawrence—MICROCOMPUTER SYSTEM

#58159

Emporia State University, Emporia—PLAIN PAPER COPIER

#58160

University of Kansas, Lawrence—PLAIN PAPER COPIER

FRIDAY, JUNE 8, 1984

#58028

Emporia State University, Emporia—MICROCOMPUTERS AND ACCESSORIES

#58062

Kansas State University, Manhattan—MICROCOMPUTER SYSTEMS

#58148

Department of Social and Rehabilitation Services, Topeka—RADIO FREQUENCY HEAT SEALER, Kansas Industries for the Blind, Kansas City

#58162

Kansas Correctional Industries, Lansing—PARTICLE BOARD

#58163

University of Kansas, Lawrence—MICROCOMPUTER SYSTEM

#58166

University of Kansas, Lawrence—SEQUENTIAL MIXING UNIT

#58167

University of Kansas, Lawrence—POLARIZING MICROSCOPES

#58168

University of Kansas Medical Center, Kansas City—CENTRIFUGE ROTOR

#58169

Kansas State University, Manhattan—USED TRASH TRUCK

#58170

Kansas State University, Manhattan—BAND UNIFORMS

FRIDAY, JUNE 15, 1984

#58171

Department of Transportation, various locations—AB-SPECIAL AGGREGATE

NICHOLAS B. ROACH
Director of Purchases

Doc. No. 002189

State of Kansas

STATE CORPORATION COMMISSION

Before Commissioners: Michael Lennen, Chairman
Richard C. (Pete) Loux
Phillip R. Dick

In the matter of a general investigation into the proper treatment of unfunded deferred taxes of jurisdictional utilities in Kansas. Docket No. 142,097-U

ORDER

The above-captioned matter comes before the State Corporation Commission of the State of Kansas on its own motion. Having reviewed its files and records and being duly advised in the premises, the Commission finds and concludes as follows:

1. With the passage of the Economic Recovery Tax Act (ERTA) of 1981 (Pub. L. 97-34, 1981), regulated public utilities that chose to use the Accelerated Cost Recovery System (ACRS) of Section 168 of the Internal Revenue Code (IRC) were required to "normalize" the benefits of that depreciation method. This policy has been followed by utilities for plant investments made after December 31, 1980.

2. There are two methodologies in accounting for timing differences and investment tax credit: The first is commonly referred to as "normalization." From a rate making view, this decreases reported income (income after taxes), and concurrently increases the cost of service (income taxes). This results in income taxes passed on to the ratepayer being greater than income taxes paid by the company.

The second method is referred to as "flow-thru." This method does not allow deferred taxes on timing differences because timing differences are flowed-thru. Thus, current income taxes and cost-of-service are lower, which keeps rates down in the current period. This is an attempt to match utility book income taxes with actual income taxes paid.

3. ERTA makes mandatory the normalization of accelerated tax depreciation and investment tax credit.

(continued)

Normalization of other timing differences is not required. These items are addressed in IRC Section 167(1) and IRC Section 46(F)(1)(2).

4. Current Commission and staff policy is to normalize accelerated tax depreciation and investment tax credit and to flow-thru payroll taxes, pensions, interest and other overhead items capitalized for book purposes but normally deducted for tax purposes.

5. Prior to the passage of ERTA (1981), utilities were allowed to flow-thru the tax effects of income tax timing differences. This was a permitted practice according to generally accepted accounting principles as long as there was reasonable assurance that regulators would permit recovery of the future tax liability when the timing differences reversed.

6. FASB statement of Financial Accounting Standards No. 71, which is effective for fiscal years beginning after December 15, 1983, requires utilities to disclose the cumulative net amount of income tax timing differences for which deferred income taxes have not been provided.

7. At the present time this issue is currently included in two (2) rate filings before the Commission: Union Gas Company, Docket No. 139,895-U for an unfunded deferred tax amount of \$1,200,000, and KP&L, Docket No. 140,015-U for an unfunded deferred tax amount of \$4,500,000.

ISSUES

8. The issue of allowing full normalization on all book-tax timing differences with retrospective effect is of primary importance. Changes in tax laws do not generally include retroactive application without a full review and investigation of all of the possible implications of such retroactive application. Since the 1981 Tax Act is silent on the issue of retroactive treatment, the problems associated with retroactive application of the normalization provisions of the 1981 Tax Act must be addressed.

9. Since we are considering future actual tax liability, any changes in federal tax rates could impact future liability. This was the case, for example, when the maximum tax rate was reduced to 46 percent from 48 percent.

10. Since FASB 71 does not apply until fiscal years beginning after December 31, 1983, the full potential impact on Kansas ratepayers can not be measured until early 1985. The utility companies, and this Commission, would also have the benefit of having the deferral deficiency figures audited by outside independent accountants.

11. At this time only one method of amortizing unfunded deferred tax reserve deficiencies has been presented for use. Other acceptable methods could be available that the utilities and the Commission are unaware of at this date.

12. Kansas ratepayers that received the benefits through lower rates using the flow-thru method may not be the same ratepayers who will fund the unfunded deferred tax deficiencies.

13. The period of time that a utility could use in computing the amortization period for the unfunded

deferred tax deficiencies has not been fully considered.

14. Implementing full retroactive normalization may result in the current net provision for deferred taxes being less than the amount required by the Internal Revenue Code. This is because the recovery of prior flow-thru items is proposed to be levelized over an arbitrary period. As a result, the recovery of these items may not coincide with their actual turn-around (payments to Internal Revenue Service) and any difference will continue to be reflected as a deferred tax provision.

15. At the present time the Commission has been presented with the unfunded deferred tax figures for only two jurisdictional utilities, as mentioned above. The two utilities alone have reported what amounts to a combined total of \$5,700,000. It is obvious that the potential impact of this tax issue on the ratepayers of Kansas is great. The Commission wants to have an opportunity to thoroughly investigate the impact of any particular method on a statewide basis.

16. We anticipate that we will be presented with this adjustment in many future rate filings. Therefore, we open this general investigation into the proper accounting treatment of these so-called "unfunded deferred tax reserve deficiencies," and would invite interested parties to submit comments concerning the appropriate action to be taken and the proper procedures for resolving these matters.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

1. A general investigation into the proper accounting treatment of the so-called "unfunded deferred tax reserve deficiencies" should be, and hereby is, opened.

2. Interested parties may comment in writing on the issues raised by this order or bring up additional relevant issues on or before June 25, 1984.

An original and nine copies of any comments submitted shall be filed with the Executive Secretary of the Commission.

DATED: May 7, 1984

JUDITH McCONNELL
Executive Secretary

Doc. No. 002196

(Published in the KANSAS REGISTER, May 24, 1984.)

NOTICE OF BOND SALE

\$110,000

BUILDING BONDS

SERIES 1984

OF

UNIFIED SCHOOL DISTRICT NO. 290

FRANKLIN COUNTY, KANSAS

(general obligation bonds payable from
unlimited ad valorem taxes)

Sealed Bids. Sealed bids will be received by the undersigned, Clerk of the Board of Education, Unified School District No. 290, Franklin County, Kansas (the "District"), on behalf of the District at 420 South

(continued)

Main, Ottawa, Kansas 66067, until 10:00 o'clock a.m.,
Central Daylight Time, on

Thursday, May 31, 1984

for the purchase of \$110,000 principal amount of Building Bonds, Series 1984 (the "Bonds"), of the District hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body immediately thereafter.

Bond Details. The Bonds will consist of fully registered certificated bonds in the denomination of \$5,000 or any integral multiple thereof dated June 1, 1984, and becoming due serially on December 1 in the years as follows:

Year	Principal Amount
1985	\$15,000
1986	20,000
1987	25,000
1988	25,000
1989	25,000

The Bonds will bear interest at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on June 1, 1985.

Place of Payment and Bond Registration. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"), to the registered owners thereof whose names are on the registration books of the Bond Registrar as of the 15th day of the month preceding each interest payment date.

The District will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the registered owners.

The type and denominations of the Bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners shall be submitted in writing by the successful bidder to the District and Bond Registrar at least two weeks prior to the closing date.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. No interest rate shall exceed a rate equal to the "20 Bond Index" of tax exempt municipal bonds published by *Credit Markets* (formerly *The Weekly Bond Buyer*) in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 2%. The difference between the highest rate specified and the lowest rate specified shall not exceed 2%. No bid of less than the par value of the Bonds and accrued interest thereon to the date of delivery will be considered and no supplemental

interest payments will be authorized. Each bid shall specify the total interest cost to the District during the life of the Bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the District on the basis of such bid. Each bid shall also specify the average annual net interest rate to the District on the basis of such bid.

Basis of Award. The award of the Bonds will be made on the basis of the lowest net interest cost to the District, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the District. If there is any discrepancy between the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and its determination shall be final. The District reserves the right to reject all bids and to waive any irregularities in a submitted bid.

Authority, Purpose and Security. The Bonds are being issued pursuant to K.S.A. 72-8801 through K.S.A. 72-8812, inclusive, as amended, for the purpose of paying the cost of constructing a maintenance building. The Bonds and the interest thereon will constitute general obligations of the District, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

Legal Opinion. The Bonds will be sold subject to the legal opinion of GAAR & BELL, Overland Park, Kansas, Bond Counsel, whose approving legal opinion as to the validity of the Bonds will be furnished and paid for by the District, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered. Said opinion will also state that in the opinion of Bond Counsel, under existing laws and regulations, the interest on the Bonds is exempt from federal income taxation.

Delivery and Payment. The District will pay for printing the Bonds and will deliver the same properly prepared, executed and registered to the successful bidder within 45 days after the date of sale at such bank or trust company in the State of Kansas or the City of Kansas City, Missouri, as may be specified by the successful bidder without cost to the successful bidder or elsewhere at the expense of the successful bidder. The successful bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing proofs which will include a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity. Payment for the Bonds shall be made in federal reserve funds, immediately subject to use by the District.

Good Faith Deposit. Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount

(continued)

(Published in the KANSAS REGISTER, May 24, 1984.)

NOTICE OF BOND SALE
\$6,466,975
GENERAL OBLIGATION BONDS
SERIES B, C & D, 1984
OF
SEDGWICK COUNTY, KANSAS

SEDGWICK COUNTY, KANSAS will receive sealed bids at the OFFICE OF THE BOARD OF COUNTY COMMISSIONERS, SEDGWICK COUNTY COURTHOUSE, WICHITA, KANSAS, until 10:00 o'clock A.M., C.D.T., on

WEDNESDAY, JUNE 6, 1984

for \$6,466,975 par value GENERAL OBLIGATION BONDS, consisting of three series, SERIES B, C & D, 1984, of the County, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

The Series B, 1984, Series C, 1984 and Series D, 1984 Bonds will all be dated as of July 1, 1984, and shall mature on September 1 in each of the years and in the amounts set forth below. Such Bonds shall consist of fully registered certificated bonds, each in the denomination of \$5,000 or integral multiples thereof, except one of the Series B, 1984, Bonds in denomination of \$2,374, and one of the Series C, 1984, Bonds in denomination of \$4,601, not exceeding the principal amount of Bonds maturing in each year. Interest will be payable semiannually, commencing March 1, 1985, and each September 1 and March 1 thereafter. The principal on the Bonds shall be payable in lawful money of the United States of America, at the principal office of the Treasurer of the State of Kansas (the Paying Agent and Bond Registrar) to the registered owners thereof upon presentation of the Bonds for payment and cancellation. Interest on the Bonds shall be payable in lawful money of the United States of America, by check or draft of the Paying Agent to the registered owners appearing on the books maintained by the Bond Registrar as of the 15th day of the month next preceding the Interest Payment Dates (the "Record Dates"). The fees of the Bond Registrar for registration and transfer of the Bonds shall be paid by the County.

The Bonds will mature serially in accordance with the following schedule:

SERIES B, 1984 BONDS

<i>Principal Amount</i>	<i>Maturity Date</i>
\$472,374	September 1, 1985
475,000	September 1, 1986
475,000	September 1, 1987
475,000	September 1, 1988
475,000	September 1, 1989
475,000	September 1, 1990
475,000	September 1, 1991
475,000	September 1, 1992
480,000	September 1, 1993
480,000	September 1, 1994

(continued)

of \$2,200 payable to the order of the District to secure the District from any loss resulting from the failure of the successful bidder to comply with the terms of its bid. No interest will be paid upon the successful bidder's good faith check. Said check shall be returned to the bidder if its bid is not accepted. If a bid is accepted, said check will be held by the District until the bidder shall have complied with all of the terms and conditions of this Notice, at which time the check will be returned to the successful bidder or paid to its order at the option of the District. If a bid is accepted but the District shall fail to deliver the Bonds to the bidder in accordance with the terms and conditions of this Notice, said check will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such check will be retained by the District as and for liquidated damages.

CUSIP Numbers. It is anticipated that CUSIP identification numbers will be printed on certificated Bonds or assigned to uncertificated Bonds, but neither the failure to print such number on or assign such number to any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the District.

Bid Forms. All bids must be made on forms which may be procured from the Clerk of the Board of Education. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid.

Submission of Bids. Bids must be submitted in sealed envelopes addressed to the undersigned Clerk of the Board of Education and marked "Proposal for the Purchase of Building Bonds." Bids may be submitted by mail or delivered in person to the undersigned at 420 South Main, Ottawa, Kansas 66067 and must be received by the undersigned prior to 10:00 o'clock a.m., Central Daylight Time, on May 31, 1984.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the District for the year 1983 is \$32,669,004. The total general obligation indebtedness of the District as of the date of the Bonds, including the Bonds being sold, is \$470,000.

Additional Information. Additional information regarding the Bonds may be obtained from the Clerk of the Board of Education.

Dated this 14th day of May, 1984.

UNIFIED SCHOOL DISTRICT NO. 290
 FRANKLIN COUNTY, KANSAS

JEWELL SPRATT
 Clerk of the Board of Education
 420 South Main
 Ottawa, Kansas 66067
 (913/242-3750)

SERIES C, 1984 BONDS

<i>Principal Amount</i>	<i>Maturity Date</i>
\$24,601	September 1, 1985
25,000	September 1, 1986
25,000	September 1, 1987
25,000	September 1, 1988
25,000	September 1, 1989
25,000	September 1, 1990
25,000	September 1, 1991
25,000	September 1, 1992
30,000	September 1, 1993
30,000	September 1, 1994
30,000	September 1, 1995
30,000	September 1, 1996
30,000	September 1, 1997
30,000	September 1, 1998
30,000	September 1, 1999

SERIES D, 1984 BONDS

<i>Principal Amount</i>	<i>Maturity Date</i>
\$130,000	September 1, 1985
130,000	September 1, 1986
130,000	September 1, 1987
130,000	September 1, 1988
130,000	September 1, 1989
130,000	September 1, 1990
130,000	September 1, 1991
130,000	September 1, 1992
130,000	September 1, 1993
130,000	September 1, 1994

COMBINED SCHEDULE**SERIES B, C AND D, 1984 BONDS**

<i>Principal Amount</i>	<i>Maturity Date</i>
\$626,975	September 1, 1985
630,000	September 1, 1986
630,000	September 1, 1987
630,000	September 1, 1988
630,000	September 1, 1989
630,000	September 1, 1990
630,000	September 1, 1991
630,000	September 1, 1992
640,000	September 1, 1993
640,000	September 1, 1994
30,000	September 1, 1995
30,000	September 1, 1996
30,000	September 1, 1997
30,000	September 1, 1998
30,000	September 1, 1999

Interest Rate

Proposals will be received on not less than all the Bonds bearing such rate or rates of interest 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 (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 three

percent (3%). No interest rate shall exceed the maximum interest rate allowed by Kansas law, said rate being 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 (June 4, 1984), plus 2%, and no bid of less than par and accrued interest will be considered. Bids for less than the entire issue of Bonds will not be considered.

Bid Form and Good Faith Deposit

Bids shall be submitted on the OFFICIAL BID FORM furnished by the County, and shall be addressed to the BOARD OF COUNTY COMMISSIONERS, SEDGWICK COUNTY COURTHOUSE, WICHITA, KANSAS 67203, 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 County 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 par amount of the Bonds, and shall be payable to TREASURER, SEDGWICK COUNTY, KANSAS. In the event a bidder whose bid is accepted shall fail to carry out its Contract of Purchase, said deposit shall be retained by the County as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

Award of Bids

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 County 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 County; 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 of the Bonds

The Bonds, duly printed, executed and registered, will be furnished and paid for by the County. The Series B, 1984 and Series C, 1984 Bonds will be sold subject to the unqualified approving opinion of WILLIAM P. TIMMERMAN, Attorney and Bond Counsel, 400 North Woodlawn, Wichita, Kansas 67208. The Series D, 1984 Bonds will be sold subject to the unqualified approving opinion of GAAR & BELL, Bond Counsel, of Wichita, Kansas. THE NUMBER, DENOMINATION OF BONDS, AND NAMES OF THE INITIAL REGISTERED OWNERS TO BE INITIALLY PRINTED ON THE BONDS SHALL BE SUBMITTED IN WRITING BY THE SUCCESSFUL BIDDER TO THE BOND REGISTRAR NOT LATER THAN JUNE 27, 1984. 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 in-

(continued)

clude 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 JULY 11, 1984, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, NEW YORK CITY, SAN FRANCISCO, LOS ANGELES or CHICAGO at the expense of the County. Delivery elsewhere will be made at the expense of the purchaser.

Legal Opinion

Bids shall be conditioned upon the unqualified approving opinion of William P. Timmerman, Bond Counsel, Wichita, Kansas on the Series B & C, 1984 Bonds and Gaar & Bell, Bond Counsel, Wichita, Kansas, on the Series D, 1984 Bonds, a copy of which opinions will be printed on the reverse side of each Bond and manually signed originals will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The cost of the legal opinions and the expense of printing the Bonds and legal opinions will be paid by the County. Said legal opinions will state in part substantially that the Series B, 1984 and Series D, 1984 Bonds will constitute general obligations of the County, 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 County; the Series C, 1984 Bonds will constitute general obligations of the County, payable as to both principal and interest from the collection of special assessments which have been levied on benefited property; but if not so paid, then 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 County; and that, under existing law, the interest on said Bonds is exempt from present federal income taxation and the Bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships.

Purpose of Issue

The Series B, 1984 Bonds are being issued for the purpose of paying the cost of road improvements under the authority of K.S.A. 1983 Supp. 68-5,103 (Chapter 229, Section 1, 1983 *Session Laws*) and any amendments thereto. The Series C, 1984 Bonds are being issued for the purpose of paying the cost of streets, drainage and sewer improvements in certain benefit districts under the authority of K.S.A. 68-728 and 729, as amended by Chapter 173, Section 74, of the 1981 *Session Laws*, and under the authority of Chapter 99, 1983 *Session Laws*, now known as 19-27a01 to 19-27a27 (specifically 19-27a07 and 19-27a27) and any amendments thereto. The Series D, 1984 Bonds are being issued to pay the cost of public building and courthouse improvements under the authority of K.S.A. 19-15,114 to 19-15,116, inclusive, as amended (1983 Supp. 19-15,115) and K.S.A. 19-1510.

CUSIP Identification Numbers

CUSIP identification numbers will be printed on said Bonds. All expenses in relation to printing of

CUSIP numbers on said Bonds and the expenses of CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by the County.

Assessed Valuation

Assessed valuation figures for Sedgwick County, Kansas, for the year 1983, are as follows:

Equalized Assessed Valuation of Taxable	
Tangible Property	\$1,319,467,541
Tangible Valuation of Motor Vehicles	\$ 251,386,613
Tangible Valuation of Motor Vehicle Dealers' Inventory	\$ 8,372,671
Assessed Valuation of Farm Machinery and Equipment (1982)	\$ 6,909,000
Assessed Valuation of Business Aircraft (1982)	\$ 10,969,281
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations .	\$1,597,105,106

Bonded Indebtedness

The total bonded indebtedness of the County of Sedgwick, State of Kansas, as of the date of sale, including this \$6,466,975 proposed issue of Bonds, is in the amount of \$31,597,122. In addition, the County has \$4,381,010 of Temporary Notes outstanding, of which \$502,310 will be retired from the proceeds of the Bonds, special assessments which have been collected in cash, and other available funds.

Bond Ratings

The County has applied to Moody's Investor's Service, Inc. and Standard and Poor's Corporation for ratings on the Bonds. Previous general obligation issues of the County have been rated "Aa" by Moody's Investor's Service, Inc. The most recent general obligation issue of the County was rated "AA" by Standard and Poor's Corporation (the first County issue rated by Standard and Poor's Corporation).

Official Statement

Additional copies of this Notice of Bond Sale, or copies of the County's Official Statement relating to the Bonds, or further information may be received from the office of the County Comptroller, Sedgwick County Courthouse, Wichita, Kansas 67203.

Dated May 16, 1984.

JACK SPRATT
TOM SCOTT
DONALD E. GRAGG
Commissioners
Sedgwick County, State of Kansas
DOROTHY K. WHITE
County Clerk

Doc. No. 002181

(Published in the KANSAS REGISTER, May 24, 1984.)

**NOTICE OF BOND SALE
\$1,600,000.00
GENERAL OBLIGATION
PUBLIC LIBRARY BONDS
OF
FINNEY COUNTY, KANSAS**

The BOARD OF COUNTY COMMISSIONERS OF FINNEY COUNTY, KANSAS, will receive sealed bids at the OFFICE OF THE COUNTY CLERK, located in the FINNEY COUNTY COURTHOUSE, GARDEN CITY, KANSAS, until 11:00 o'clock A.M., C.D.T., on

WEDNESDAY, MAY 30, 1984

for \$1,600,000.00 par value GENERAL OBLIGATION PUBLIC LIBRARY BONDS of the County, at which time and place such bids will be publicly opened in the COUNTY COMMISSION ROOM, FINNEY COUNTY COURTHOUSE, GARDEN CITY, KANSAS. No oral or auction bids will be considered.

The Series B, 1984 Bonds will be dated as of JUNE 1, 1984, and shall mature on the first day of NOVEMBER in each of the years and in the amounts set forth below.

The Bonds shall consist of fully registered certificated bonds, each in the denomination of \$5,000, or integral multiples thereof, not exceeding the principal amount of Bonds maturing in each year.

Interest will be payable semiannually, commencing MAY 1, 1985, and on each NOVEMBER 1 and MAY 1 thereafter (the "Interest Payment Dates"). The principal of the Bonds shall be payable in lawful money of the United States of America, at the principal office of the Treasurer of the State of Kansas, as Paying Agent (the "Paying Agent" and "Bond Registrar"), to the registered owners thereof upon presentation of the Bonds for payment and cancellation. Interest on the Bonds shall be payable in lawful money of the United States of America, by check or draft of the Paying Agent, to the registered owners appearing on the books maintained by the Bond Registrar as of the fifteenth (15th) day of the month next preceding the Interest Payment Dates (the "Record Dates"). The fees of the Bond Registrar for registration and transfer of the Bonds shall be paid by the County.

The Bonds will mature serially in accordance with the following schedule:

<i>Principal Amount</i>	<i>Maturity Date</i>
\$110,000.00	November 1, 1985
\$115,000.00	November 1, 1986
\$125,000.00	November 1, 1987
\$130,000.00	November 1, 1988
\$135,000.00	November 1, 1989
\$145,000.00	November 1, 1990
\$155,000.00	November 1, 1991
\$160,000.00	November 1, 1992
\$165,000.00	November 1, 1993
\$175,000.00	November 1, 1994
\$185,000.00	November 1, 1995

Redemption

Bonds of the issue maturing November 1, 1991, and thereafter, are subject to call for redemption and payment prior to their respective maturities, at the option of the County, on November 1, 1990, or on any interest payment date thereafter, in whole or in part in inverse order of maturity, and by lot within maturities, at a redemption price equal to the principal amount of any Bond so called for redemption and payment, and accrued interest to the effective date of redemption, plus a premium of three percent (3%) of the principal amount thereof.

Notice of any call for redemption will be published one time in a newspaper of general circulation in the County and in the official newspaper of the State of Kansas, and will be mailed to the registered owners of the Bonds to be redeemed at the address shown on the registration books maintained by the Bond Registrar, not less than thirty (30) days prior to the date fixed for such redemption and payment. Interest on the Bonds so called for redemption and payment will cease to accrue after the redemption date, provided notice has been given and funds are then available to pay the full redemption price thereof.

Interest Rate

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 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 and one-half percent (2½%). No interest rate shall exceed the maximum interest rate allowed by Kansas law; said rate being the "20 Bond Index" of tax exempt municipal bonds published by *The Credit Market* (formerly *The Weekly Bond Buyer*), in New York, New York, on the Monday next preceding the day on which the Bonds are sold (May 28, 1984), plus two percent (2%); and no bid of less than par and accrued interest will be considered. Bids for less than the entire issue of Bonds will not be considered.

Bid Form and Good Faith Deposit

Bids shall be submitted on the OFFICIAL BID FORM furnished by the County, and shall be addressed to: BOARD OF COUNTY COMMISSIONERS, FINNEY COUNTY COURTHOUSE, GARDEN CITY, KANSAS 67846, ATTENTION: CAROL BROWN, COUNTY 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 County 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, FINNEY COUNTY, KANSAS. In the event a bidder whose bid is accepted

(continued)

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 promptly.

Award of Bonds

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 County 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 County; 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 of the Bonds

The Bonds, duly printed, executed and registered, will be furnished and paid for by the County; and the Bonds will be sold subject to the unqualified approving opinion of GAAR & BELL, Bond Counsel, of Wichita, Kansas. THE NUMBER, DENOMINATION OF BONDS, AND NAMES OF THE INITIAL REGISTERED OWNERS TO BE INITIALLY PRINTED ON THE BONDS SHALL BE SUBMITTED IN WRITING BY THE SUCCESSFUL BIDDER TO THE BOND REGISTRAR NOT LATER THAN WEDNESDAY, JUNE 20, 1984. 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 about THURSDAY, JULY 12, 1984, 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 expense of the purchaser.

Legal Opinion

Bids shall be conditioned upon the unqualified approving opinion of Gaar & Bell, Bond Counsel, Wichita, Kansas, a copy of which opinion will be printed on the reverse side of each Bond; and a manually signed original opinion will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The cost of this legal opinion and the expense of printing the Bonds and legal opinion will be paid by the County. Said legal opinion will state in part substantially that the Bonds will constitute general obligations of the County, 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 County; and that, under existing law, the interest on said Bonds is exempt from present federal income taxation and the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships.

Purpose of Issue

The proceeds of the Bonds will be used for the purpose of paying the costs of erecting and equipping a building on an existing site of land located in Garden City, Kansas, which facility will house the Finney County Public Library. The Bonds will be issued under the authority of K.S.A. 12-1221; and were approved by Finney County voters at a special bond election held on March 27, 1984.

CUSIP Identification Numbers

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 or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses in relation to printing of such CUSIP numbers on the Bonds and the expenses of CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by the County.

Assessed Valuation

Assessed valuation figures for Finney County, Kansas, for the year 1983, are as follows:

Equalized Assessed Valuation of Taxable	
Tangible Property	\$281,524,406.00
Tangible Valuation of Motor Vehicles and Motor Vehicle Dealers' Inventory	17,629,894.00
Assessed Valuation of Farm Machinery and Equipment (1982)	9,953,670.00
Assessed Valuation of Business Aircraft (1982)	448,495.00
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	\$309,556,465.00

Bonded Indebtedness

The total general obligation bonded indebtedness of Finney County, Kansas, at the date hereof, including this \$1,600,000.00 proposed issue of Bonds, is in the amount of \$5,016,070.00. This amount includes outstanding Temporary Notes for Sewer District improvements in the sum of \$371,070.00

Official Statement

Additional copies of this Notice of Bond Sale, or copies of the County's Official Statement relating to the Bonds, or further information may be received from UNITED SECURITIES, INC., 444 One Twenty Building, Wichita, Kansas 67202 (Telephone: 316/265-9421), financial advisors to the County.

Dated May 14, 1984.

FINNEY COUNTY, KANSAS
By: CAROL BROWN
County Clerk

Doc. No. 002183

(Published in the KANSAS REGISTER, May 24, 1984.)

HOUSE BILL No. 2982

AN ACT concerning the commission on civil rights; relating to awards of damages in certain cases; amending K.S.A. 44-1005 and 44-1019 and repealing the existing sections.

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

Section 1. K.S.A. 44-1005 is hereby amended to read as follows: 44-1005. (a) Any person claiming to be aggrieved by an alleged unlawful employment practice or by an alleged unlawful discriminatory practice may, personally or by an attorney-at-law, make, sign, and file with the commission a verified complaint in writing which shall state the name and address of the person, employer, labor organization or employment agency alleged to have committed the unlawful employment practice complained of or the name and address of the person alleged to have committed the unlawful discriminatory practice complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the commission.

(b) The commission upon its own initiative or the attorney general may, in like manner, make, sign and file such complaint. Whenever the attorney general has sufficient reason to believe that any person as herein defined is engaged in a practice of discrimination, segregation or separation in violation of this act, ~~he or she~~ the attorney general may make, sign and file a complaint. Any employer whose employees or some of whom, refuse or threaten to refuse to cooperate with the provisions of this act, may file with the commission a verified complaint asking for assistance by conciliation or other remedial action.

(c) Whenever any problem of discrimination because of race, religion, color, sex, physical handicap, national origin or ancestry arises, or whenever the commission has, in its own judgment, reason to believe that any person as herein defined has engaged in an unlawful employment practice or an unlawful discriminatory practice in violation of this act, or has engaged in a pattern or practice of discrimination, the commission may conduct an investigation without filing a complaint and shall have the same powers during such investigation as provided for the investigation of complaints. The person to be investigated shall be advised of the nature and scope of such investigation prior to its commencement. The purpose of the investigation shall be to resolve any such problems promptly. In the event such problems cannot be resolved within a reasonable time, the commission may issue a complaint whenever the investigation has revealed a violation of the Kansas act against discrimination has occurred. The information gathered in the course of the first investigation may be used in processing the complaint.

(d) After the filing of any complaint by an aggrieved individual, by the commission, or by the attorney general, the commission shall, within seven (7) days after the filing of the complaint, serve a copy on each of the parties alleged to have violated this act, and shall designate one of the commissioners to make, with the assistance of the commission's staff, prompt investigation of the alleged act of discrimination. If the commissioner shall determine after such investigation that no probable cause exists for crediting the allegations of the complaint, such commissioner shall, within ~~ten (10)~~ 10 business days from such determination, shall cause to be issued and served upon the complainant and respondent written notice of such determination.

(e) If such commissioner after such investigation, shall determine that probable cause exists for crediting the allegations for the complaint, the ~~said~~ commissioner or such other commissioner as the commission may designate, shall immediately endeavor to eliminate the unlawful employment practice or the unlawful discriminatory practice complained of by conference and conciliation. The complainant, respondent and commission shall have ~~forty-five (45)~~ 45 days from the date respondent is notified in writing of a finding of probable cause to enter into a conciliation agreement signed by all parties in interest. The parties may amend a conciliation agreement at any time prior to the date of entering into such agreement. Upon agreement by the parties the time for entering into such agreement may be extended. The members of the commission and its staff shall not disclose what has transpired in the course of such endeavors.

(f) In case of failure ~~so~~ to eliminate such practices by conference and conciliation, or in advance thereof, if in the judgment of the commissioner or the commission circumstances so warrant, the ~~said~~ commissioner or the commission shall cause to be issued and served in the name of the commission, a written notice, together with a copy of such complaint, as the same may have been amended, requiring the person, employer, labor organization, employment agency, realtor or financial institution named in such complaint, hereinafter referred to as respondent, to answer the charges of such complaint at a hearing before at least four (4) commissioners, hereinafter referred to as hearing commissioners or before a staff hearing examiner, at a time not less than ~~ten (10)~~ 10 business days after the service of ~~said~~ the notice unless the respondent requests in writing and is granted a continuance. The place of such hearing shall be in the county where respondent is doing business and the acts complained of occurred.

(g) The complainant or respondent may apply to the commission for the issuance of a subpoena for the attendance of any person or the production or examination of any books, records or documents pertinent to the proceeding at the hearing. Upon such application the commission shall issue such subpoena.

(h) The case in support of the complaint shall be presented before the hearing commissioners or hearing examiner by one of the commission's attorneys or agents, or by private counsel, if any, of the complainant, and the commissioner who shall have previously made the investigation shall not participate in the hearing except as a witness. Any endeavors at conciliation shall not be received in evidence.

(i) Any complaint filed pursuant to this act must be so filed within six (6) months after the alleged act of discrimination, unless the act complained of constitutes a continuing pattern or practice of discrimination in which event it will be from the last act of discrimination.

(j) The respondent may file a written verified answer to the complaint and appear at such hearing in person or otherwise, with or without counsel, and submit testimony. The complainant shall appear at such hearing in person, with or without counsel, and submit testimony. The hearing commissioners, hearing examiner, or the complainant shall have the power reasonably and fairly to amend any complaint, and the respondent shall have like power to amend his or her answer. The hearing commissioners and hearing examiners shall be bound by the rules of evidence prevailing in courts of law or equity, and only relevant evidence of reasonable probative value shall be received. Reasonable examination and cross-examination shall be permitted. All parties shall be afforded opportunity to submit briefs prior to adjudication. The testimony taken at the hearing shall be under oath and be transcribed.

(k) If, upon all the evidence in the hearing, the hearing commissioners or hearing examiner shall find a respondent has engaged in or is engaging in any unlawful employment practice or unlawful discriminatory practice as defined in this act, the hearing commissioners or hearing examiner shall state the findings of fact and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such unlawful employment practice or such unlawful discriminatory practice and to take such affirmative action, including but not limited to the hiring, reinstatement, or upgrading of employees, with or without back pay, and the admission or restoration to membership in any respondent labor organizations; the admission to and full and equal enjoyment of the goods, services, facilities, and accommodations offered by any respondent place of public accommodation denied in violation of this act, as, in the judgment of the hearing commissioners or hearing examiner, will effectuate the purposes of this act, and including a requirement for report of the manner of compliance. Such order may also include an award of damages for pain, suffering and humiliation which are incidental to the act of discrimination, except that an award for such pain, suffering and humiliation shall in no event exceed the sum of \$2,000.

(l) The findings of fact and order of the hearing examiner or hearing commissioner shall be submitted to the commission for approval, rejection or modification, in whole or in part, before

(continued)

being issued. Such findings of fact and orders as approved or modified in whole or in part, by the commission shall be, when issued, the findings of fact and orders of the commission.

(m) Any state, county or municipal agency may pay a complainant back pay if it has entered into a conciliation agreement for such purposes with the commission, and may pay such back pay if it is ordered to do so by the commission.

(n) If, upon all the evidence, the hearing commissioners or hearing examiner shall find that a respondent has not engaged in any such unlawful employment practice, or any such unlawful discriminatory practice, the hearing commissioners or hearing examiner shall state their findings of fact and shall issue and cause to be served on both the complainant and the respondent an order dismissing the said complaint as to such respondent. Such findings of fact and such order of dismissal of the hearing examiner or hearing commissioner shall be submitted to the commission for approval, rejection or modification, in whole or in part, before being issued. Such findings of fact and orders as approved or modified in whole or in part, by the commission shall be, when issued, the findings of fact and orders of the commission.

(o) A copy of the order shall be delivered by certified mail return receipt requested in all cases by the commission to the complainant, to the respondent, to the attorney general, and to such other public officers as the commission may deem proper.

(p) The commission shall, except as otherwise provided, establish rules of practice to govern, expedite and effectuate the foregoing procedure and its own actions thereunder. Said The rules of practice shall be available, upon written request, within ~~thirty~~ (30) 30 days after the date of adoption.

Sec. 2. K.S.A. 44-1019 is hereby amended to read as follows: 44-1019. (a) The authority and responsibility for administering this act shall be in the commission. Any person aggrieved may file a verified complaint with the commission. Such complaints shall be in writing, shall state the facts upon which the allegations of a discriminatory housing practice are based and shall contain such other information and be in such form as the commission may require. Complaints must be filed within ~~one hundred eighty~~ (180) 180 days after the alleged discriminatory housing practice occurred, but may be reasonably and fairly amended at any time. The commission upon its own initiative or the attorney general may, in like manner, make, sign and file such complaint. A respondent may file a verified answer to the complaint against ~~him~~ the respondent and with the leave of the commission, which shall be granted whenever it would be reasonable and fair to do so, may amend ~~his~~ the answer filed by the respondent at any time.

(b) Upon receipt of any such complaint the commission shall furnish within ~~ten~~ (10) 10 days thereof a copy of the same to the person or persons who allegedly committed or are about to commit the alleged discriminatory housing practice. Service of ~~said~~ the notice shall be made in the manner prescribed by the code of civil procedure. Whenever a local fair housing ordinance provides rights and remedies for alleged discriminatory housing practices which are, in the judgment of the commission, substantially equivalent to the rights and remedies provided in this act, the commission shall refer to the appropriate local agency any complaint filed under this act which appears to constitute a violation of such local fair housing ordinance. The commission shall take no further action with respect to such complaint until ~~thirty~~ (30) 30 days have elapsed since the complaint was referred to the local agency, or the local agency has completed its investigation, or the local agency requests the commission to assume jurisdiction or to assist it, whichever occurs first. The local agency shall inform the commission in writing of the status of the referred complaint at the end of the referral period or when the local agency has completed its investigation, whichever occurs first. The commission may take further action on the complaint if in its judgment the protection of the rights of the parties or the interests of justice require such action.

(c) (1) If a complaint is not referred to a local agency as provided in subsection (b), or after the commission assumes jurisdiction of a complaint following such referral, the commission shall promptly commence an investigation thereof, in the

manner provided in K.S.A. 44-1005 and amendments thereto for investigating complaints of violations of the Kansas act against discrimination, to determine whether probable cause exists for crediting the allegations of the complaint and ~~shall~~, within ~~ten~~ (10) 10 days of such determination, shall serve written notice on the person aggrieved of such determination.

(2) If it is determined that probable cause exists for crediting the allegations of the complaint, the commission shall proceed to try to eliminate or correct the alleged discriminatory housing practice by informal methods of conference, conciliation and persuasion which shall be held, insofar as possible, in the cities or other localities where the alleged discriminatory housing practices have occurred or are about to occur. The commission is hereby authorized to enter into formal conciliation agreement which shall include the person aggrieved and the respondent as signatories. Such agreements may include in the provisions thereof any term or condition which may be included in a final order of the commission. Any of the parties to a conciliation agreement may apply to the district court of the county where the alleged discriminatory housing practice occurred, or was about to occur, for specific performance of any such agreement.

(d) If the commission is unable to eliminate or correct the alleged discriminatory housing practice by informal methods of conference, conciliation and persuasion, a hearing may be held before the commission in the manner provided in K.S.A. 44-1005 and amendments thereto for holding hearings under the Kansas act against discrimination. In any such hearing, the burden of proof shall be on the complainant. If, upon all the evidence at the hearing, the commission shall find that a respondent has engaged in or is engaging in any discriminatory housing practice, the commission shall state its findings of fact and shall issue and cause to be served on the respondent an order requiring the respondent to cease and desist from such discriminatory housing practice, and such order may direct a respondent to take such affirmative action as the commission deems necessary to effectuate the intent and purposes of this act, including, but not limited to, the selling or renting of specified real property and the lending of money for the acquisition, construction, rehabilitation, repair or maintenance of real property. *Such order may also include an award of damages for pain, suffering and humiliation which are incidental to the act of discrimination, except that an award for such pain, suffering and humiliation shall in no event exceed the sum of \$2,000.* Within ~~fifteen~~ (15) 15 days after an order is issued by the commission requiring or prohibiting action by a respondent, ~~said~~ the respondent shall notify the commission in writing of the manner in which ~~he~~ the respondent has complied with the order.

Sec. 3. K.S.A. 44-1005 and 44-1019 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body April 2, 1984.

HOUSE concurred in SENATE amendments April 27, 1984.

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

Passed the SENATE as amended April 25, 1984.

President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED May 10, 1984.

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.

(continued)

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 17th day of May, 1984.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 24, 1984.)

HOUSE BILL No. 3042

AN ACT relating to elective offices of the state and political and taxing subdivisions thereof; concerning the filing for elective offices by employees in the state classified service; amending K.S.A. 1983 Supp. 75-2953 and repealing the existing section.

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

Section 1. K.S.A. 1983 Supp. 75-2953 is hereby amended to read as follows: 75-2953. (1) No officer, agent, clerk or employee of this state shall directly or indirectly use his or her authority or official influence to compel any officer or employee in the classified service to apply for membership in or become a member of any organization, or to pay or promise to pay any assessment, subscription or contribution, or to take part in any political activity. Any person who violates any provisions of this section shall be guilty of a class C misdemeanor, and, upon conviction, shall be punished accordingly, and if any officer or employee in the classified service is found guilty of violating any provision of this section, such officer or employee shall be automatically separated from the service.

(2) Any officer or employee in the state classified service shall resign from the service upon filing as a candidate for ~~public~~ *an elective office, unless the public elective office filed for is the office of a county commissioner elective office, an elective office in the judicial branch of government or is elected on a nonpartisan basis. Elective office shall not mean or include the office of precinct committeeman or precinct committeewoman.*

Sec. 2. K.S.A. 1983 Supp. 75-2953 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, 1984.

HOUSE concurred in SENATE amendments April 28, 1984.

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

Passed the SENATE as amended April 2, 1984.

President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED May 11, 1984.

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 17th day of May, 1984.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 24, 1984.)

HOUSE BILL No. 3128

AN ACT relating to salaries and compensation of certain state officers and employees; authorizing and providing for certain increases; making appropriations for the fiscal year ending June 30, 1985, and authorizing certain transfers and adjustments in expenditure limitations therefor; amending K.S.A. 1983 Supp. 44-709, 74-601, 74-2434, 75-3120f, 75-3120h and 75-3120k and repealing the existing sections; and also repealing section 20 of 1984 Senate Substitute for House Bill No. 2903.

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

New Section 1. (a) The governor is hereby authorized and directed to modify the pay plan adopted pursuant to section 1 of chapter 23 of the 1983 Session Laws of Kansas in accordance with this section and to adopt such pay plan as so modified. The existing pay plan shall be modified to provide for an increase of 5% adjusted to the nearest dollar in each monthly step of the schedule of salary and wage ranges and steps of such pay plan or the equivalent increase for payroll periods other than monthly. The pay plan adopted by the governor under this subsection shall be the pay plan for the classified service under the Kansas civil service act and shall be effective on the first day of the first payroll period which is chargeable to the fiscal year ending on June 30, 1985. Such pay plan shall be subject to modification and approval as provided under K.S.A. 75-2938 and amendments thereto and to any enactments of the legislature applicable thereto.

(b) (1) The governor, in the governor's discretion, is hereby authorized to modify or authorize the modification of the salaries of state officers and employees who are in the unclassified service under the Kansas civil service act whose salaries are subject to approval by the governor under K.S.A. 75-2935b or 75-2935c and amendments thereto to provide for an average increase of 5% adjusted to the nearest dollar for each monthly payroll period or the equivalent increase for payroll periods other than monthly, effective on the first day of the first payroll period which is chargeable to the fiscal year ending on June 30, 1985.

(2) Each elected state official of the executive branch of state government, including the state board of education and the state board of tax appeals and the state board of regents and the board of trustees of the Kansas public employees retirement system, in such official or board's discretion, are hereby authorized to modify or to authorize the modification of the salaries of the state officers and employees of such official or board who are in the unclassified service under the Kansas civil service act and whose salaries are not subject to approval by the governor under K.S.A. 75-2935b or 75-2935c and amendments thereto, to provide for an average increase of 5% adjusted to the nearest dollar for each monthly payroll period or the equivalent increase for payroll periods other than monthly, effective on the first day of the first payroll period which is chargeable to the fiscal year ending on June 30, 1985. The provisions of this subsection (b)(2) shall not apply to: (A) Any teaching employees of the Kansas state school for the visually handicapped or the Kansas state school for the deaf; or (B) any state officers or employees of educational institutions under the control and supervision of the state board of regents.

New Sec. 2. In accordance with and subject to the provisions of this section and the other provisions of this act, the governing body of each state agency of the executive, legislative or judicial branch of state government, or the chief executive officer thereof if there is no governing body, is hereby authorized and directed to pay an additional amount of compensation to all full-time and regular part-time state officers and employees of the state agency for the fiscal year ending June 30, 1985, but excluding regular part-time officers and employees whose employment requires less than 1,000 hours of work per year and any seasonal and temporary personnel of the state agency. The additional amount of compensation authorized by this section shall be paid in two equal payments of \$102 with the first payment on November 1, 1984, and the final payment on March 1, 1985. Each such payment shall be in addition to all other compensation payable to state officers and employees pursuant to section 1 and shall be

(continued)

paid only to active full-time and regular part-time state officers and employees who are on the payroll of a state agency on the payment date therefor.

Sec. 3. (a) Upon recommendation of the secretary of administration, 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 such subsection (c), is hereby authorized to increase expenditure limitations on special revenue funds and accounts established for the fiscal year ending on June 30, 1985, for the purpose of paying from such funds or accounts the proportionate share of the salary increases provided for by adoption of the pay plan under subsection (a) of section 1 and from adoption of the salary increases for unclassified state officers and employees under subsection (b) of section 1 and for the purpose of paying from such funds or accounts the proportionate share of the payments provided for under section 2 for state agencies of the executive branch of state government.

(b) There is hereby appropriated from the state general fund for the state finance council, for the fiscal year ending on June 30, 1985, the sum of \$18,987,000 to be used for the purpose of paying the proportionate share of the cost to the state general fund of the salary increases resulting from adoption of the pay plan under subsection (a) of section 1 and from adoption of the salary increases for unclassified state officers and employees under subsection (b) of section 1 and the proportionate share of the cost to the state general fund of the payments provided for under section 2 for state agencies of the executive branch of state government. To pay the proportionate share of the cost to the state general fund of each state agency of the executive branch of state government for such salary increases and payments, upon recommendation of the secretary of administration, 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 such subsection (c), is hereby authorized and directed to transfer moneys from the appropriation made by this section to proper accounts created by state general fund appropriations for the fiscal year ending on June 30, 1985.

(c) Each state agency of the executive branch of state government which employs officers and employees who are receiving salary increases provided for by adoption of the pay plan under subsection (a) of section 1 or from adoption of the salary increases for unclassified state officers and employees under subsection (b) of section 1 or who are to receive payments under section 2, shall prepare and submit to the secretary of administration a budget estimate for such salary increases and payments, and all amendments and revisions of such estimates. At the same time as each state agency submits such estimate, and all amendments and revisions thereof, each such state agency shall submit a copy of such estimate, and all amendments and revisions thereof, directly to the legislative research department.

Sec. 4.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1985, the following:

Legislative coordinating council—operations	\$12,530
Legislative research department—operations	64,743
Office of revisor of statutes—operations	48,465
Total	\$125,738

Sec. 5.

LEGISLATURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1985, the following:

Operations (including official hospitality)	\$160,834
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Sec. 6.

DIVISION OF POST AUDIT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1985, the following:

Operations (including legislative post audit committee)	\$35,463
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Sec. 7.

JUDICIAL COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1985, the following:

Judicial research	\$5,546
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Sec. 8.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1985, the following:

Appellate courts—salaries and wages	\$170,717
Appellate courts—automated data processing	4,575
Assigned retired justices and judges—salaries and wages	2,048
Judges of the district courts—salaries and wages	565,396
Non-judicial personnel of the district courts—salaries and wages	1,320,476
Total	\$2,063,212

(b) On July 1, 1984, the expenditure limitation established by section 4(b) of 1984 House Bill No. 2685 on the bar admission fee fund is hereby increased from \$32,745 to \$33,193.

Sec. 9. On July 1, 1984, K.S.A. 1983 Supp. 44-709 is hereby amended to read as follows: 44-709. (a) *Filing.* Claims for benefits shall be made in accordance with rules and regulations adopted by the secretary. The secretary shall furnish a copy of such rules and regulations to any individual requesting them. Each employer shall post and maintain printed statements furnished by the secretary without cost to the employer in places readily accessible to individuals in the service of the employer.

(b) *Determination.* (1) Except as otherwise provided in this subsection (b)(1), a representative designated by the secretary, and hereinafter referred to as an examiner, shall promptly examine the claim and, on the basis of the facts found by the examiner, shall determine whether or not the claim is valid. If the examiner determines that the claim is valid, the examiner shall determine the first day of the benefit year, the weekly benefit amount and the total amount of benefits payable with respect to the benefit year. In any case in which the payment or denial of benefits will be determined by the provisions of subsection (d) of K.S.A. 44-706 and amendments thereto, the examiner shall promptly transmit the claim to a special examiner designated by the secretary to make a determination on the claim after the investigation as the special examiner deems necessary. The parties shall be promptly notified of the special examiner's decision and any party aggrieved by the decision may appeal to the referee as provided in subsection (c). The claimant and the claimant's most recent employing unit shall be promptly notified of the examiner's or special examiner's decision.

(2) The examiner may for good cause reconsider the examiner's decision and shall promptly notify the claimant and the most recent employing unit of the claimant, that the decision of the examiner is to be reconsidered, except that no reconsideration shall be made after the termination of the benefit year.

(3) Notwithstanding the provisions of any other statute, a decision of an examiner or special examiner shall be final unless the claimant or the most recent employing unit of the claimant files an appeal from the decision as provided in subsection (c). The appeal must be filed within 16 calendar days after the mailing of notice to the last-known addresses of the claimant and employing unit or, if notice is not by mail, within 16 calendar days after the delivery of the notice to the parties.

(c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and decision of the examiner or special examiner. The parties shall be duly notified of the referee's decision, together with the reasons for the decision. The decision shall be final, notwithstanding the provisions of any other statute, unless a further appeal to the board of review is filed within 16 calendar days after the mailing of the decision to the parties' last-known addresses or, if notice is not by mail, within 16 calendar days after the delivery of the decision.

(continued)

(d) *Referees.* The secretary shall appoint, in accordance with subsection (c) of K.S.A. 44-714 and amendments thereto, one or more referees to hear and decide disputed claims.

(e) *Time, computation and extension.* In computing the period of time for appeals under this section from the examiner's or the special examiner's determination or from the referee's decision, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday or legal holiday.

(f) *Board of review.* (1) There is hereby created a board of review, hereinafter referred to as the board, consisting of three members. Two members shall be appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 1982 1983 Supp. 75-4315b and amendments thereto for terms of four years. One member shall be representative of employees, one member shall be representative of employers, and one member shall be representative of the public in general. The appointment of the employee representative member of the board shall be made by the governor from a list of three nominations submitted by the Kansas state federation of labor, A.F.L.-C.I.O.; the appointment of the employer representative member of the board shall be made by the governor from a list of three nominations submitted by the Kansas association chamber of commerce and industry; and the appointment of the public representative member of the board, who, because of vocation, occupation or affiliation may be deemed not to be representative of either management or labor, shall be made by the members appointed by the governor as employee representative and employer representative. If the two members do not agree and make the appointment of the third member within 30 days after the appointments of the employer representative member and the employee representative member, the governor shall appoint the representative of the public. Not more than two members of the board shall belong to the same political party.

(2) Each member of the board shall serve until a successor has been appointed and qualified. Any vacancy in the membership of the board occurring prior to expiration of a term shall be filled by appointment for the unexpired term in the same manner as provided for original appointment of the member. Each member shall be appointed as representative of the same special interest group represented by the predecessor of the member.

(3) Each member of the board shall be entitled to receive as compensation for the member's services ~~\$6,564~~ \$11,000 per year for payroll periods chargeable to the fiscal year ending June 30, 1985, and each fiscal year thereafter, together with the member's traveling and other necessary expenses actually incurred in the performance of the member's official duties in accordance with rules and regulations adopted by the secretary. Members' compensation and expenses shall be paid from the employment security administration fund.

(4) The board shall organize annually by the election of a chairperson from among its members. The chairperson shall serve in that capacity for a term of one year and until a successor is elected. The board shall meet on the first Monday of each month or on the call of the chairperson or any two members of the board at the place designated. The secretary of human resources shall appoint an executive secretary of the board and the executive secretary shall attend the meetings of the board.

(5) The board, on its own motion, may affirm, modify or set aside any decision of a referee on the basis of the evidence previously submitted in the case; may direct the taking of additional evidence; or may permit any of the parties to initiate further appeal before it. The board shall permit such further appeal by any of the parties interested in a decision of a referee which overrules or modifies the decision of an examiner. The board may remove to itself the proceedings on any claim pending before a referee. Any proceedings so removed to the board shall be heard in accordance with the requirements of subsection (c). The board shall promptly notify the interested parties of its findings and decision.

(6) Two members of the board shall constitute a quorum and

no action of the board shall be valid unless it has the concurrence of at least two members. A vacancy on the board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the board.

(g) *Procedure.* The manner in which disputed claims are presented, the reports on claims required from the claimant and from employers and the conduct of hearings and appeals shall be in accordance with rules of procedure prescribed by the board for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings and decisions in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed. In the performance of its official duties, the board shall have access to all of the records which pertain to the disputed claim and are in the custody of the secretary of human resources and shall receive the assistance of the secretary upon request.

(h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall be allowed fees and necessary traveling expenses at rates fixed by the board. Such fees and expenses shall be deemed a part of the expense of administering this act.

(i) *Court review.* (1) Any decision of the board, in the absence of an action for judicial review of the decision as provided by this section, shall become final 16 calendar days after the date of the mailing of the decision. Judicial review of a decision shall be permitted only after any party claiming to be aggrieved by the decision has exhausted the party's remedies before the board as provided by this act.

(2) Within 16 calendar days after the decision of the board has been mailed, the examiner, or any party aggrieved by the decision, may secure judicial review of the decision by commencing an action against the board for the review of its decision in the district court of the county in which the party resides or has the party's principal place of business or, if the aggrieved party is a nonresident of the state of Kansas, in the district court of Shawnee county. In the action any other party to the proceeding before the board shall be made a defendant.

(3) In an action for judicial review of a decision of the board, a petition which need not be verified, but which shall state the grounds upon which a review is sought, shall be served upon the board or upon such person as the board designates. Such service shall be deemed completed service on all parties, but the party served shall be given as many copies of the petition as there are defendants, and the board shall promptly mail one copy of the petition to each defendant.

(4) With its answer, the board shall certify and file with the court all documents and papers and a transcript of all testimony taken in the matter, together with its findings of fact and decision. The board, in its discretion, also may certify to the court questions of law involved in any decision by the board.

(5) In any judicial proceeding under this section, the findings of the board as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive and the jurisdiction of the court shall be confined to questions of law. Such proceeding, and the questions of law certified, shall be heard in a summary manner and shall be given precedence over all other civil cases except cases arising under the workmen's compensation act.

(6) An appeal may be taken from the decision of the district court in the same manner as is provided in civil cases.

(7) It shall not be necessary, in any judicial proceedings under this section, to enter exceptions to the rulings of the board and no bond shall be required for entering an appeal. Upon the final determination of the judicial proceeding the board shall enter an order in accordance with the determination. A petition for judicial review shall not act as a supersedeas or stay unless the board so orders.

Sec. 10. On July 1, 1984, K.S.A. 1983 Supp. 75-3120f is hereby amended to read as follows: 75-3120f. (a) The annual salary of the chief justice of the supreme court and each of the other justices of the supreme court shall be paid in equal installments each payroll period in accordance with this section.

(continued)

(b) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1981, and Except as otherwise provided in K.S.A. 1982 1983 Supp. 75-31201 and amendments thereto, the annual salary of the chief justice of the supreme court shall be as follows: \$58,000 for the payroll periods chargeable to the fiscal year ending June 30, 1985, and each fiscal year thereafter.

For the payroll periods chargeable to the fiscal year ending June 30, 1981	\$46,000
For the payroll periods chargeable to the fiscal year ending June 30, 1982, and to each fiscal year thereafter	\$50,000

(c) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1981, and Except as otherwise provided in K.S.A. 1982 1983 Supp. 75-31201 and amendments thereto, the annual salary of other justices of the supreme court shall be as follows: \$56,500 for the payroll periods chargeable to the fiscal year ending June 30, 1985, and each fiscal year thereafter.

For the payroll periods chargeable to the fiscal year ending June 30, 1981	\$43,000
For the payroll periods chargeable to the fiscal year ending June 30, 1982, and to each fiscal year thereafter	\$47,500

Sec. 11. On July 1, 1984, K.S.A. 1983 Supp. 75-3120h is hereby amended to read as follows: 75-3120h. (a) The annual salary of the chief judge of the court of appeals and each of the other judges of the court of appeals shall be paid in equal installments each payroll period in accordance with this section.

(b) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1981, and Except as otherwise provided in K.S.A. 1982 1983 Supp. 75-31201 and amendments thereto, the annual salary of the chief judge of the court of appeals shall be as follows: \$56,000 for the payroll periods chargeable to the fiscal year ending June 30, 1985, and each fiscal year thereafter.

For the payroll periods chargeable to the fiscal year ending June 30, 1981	\$42,000
For the payroll periods chargeable to the fiscal year ending June 30, 1982, and to each fiscal year thereafter	\$46,500

(c) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1981, and Except as otherwise provided in K.S.A. 1982 1983 Supp. 75-31201 and amendments thereto, the annual salary of the other judges of the court of appeals shall be as follows: \$54,500 for the payroll periods chargeable to the fiscal year ending June 30, 1985, and each fiscal year thereafter.

For the payroll periods chargeable to the fiscal year ending June 30, 1981	\$40,000
For the payroll periods chargeable to the fiscal year ending June 30, 1982, and to each fiscal year thereafter	\$45,500

Sec. 12. On July 1, 1984, K.S.A. 1983 Supp. 74-601 is hereby amended to read as follows: 74-601. (a) There is hereby created the state corporation commission, which shall consist of three members appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 1982 1983 Supp. 75-4315b and amendments thereto. No more than two members of the commission shall belong to the same political party. Each member shall be appointed for a term of four years and until a successor has been appointed and qualified. In case of a vacancy in the office of a member of the commission, the governor shall appoint a successor to fill the vacancy for the unexpired term.

(b) The commission shall elect one of its members as chairperson of the commission. The chairperson of the commission shall receive an annual salary in an amount equal to the annual salary prescribed by law for a the chief judge of the court of appeals, payable monthly. Each other member of the commission shall receive an annual salary in an amount equal to the annual salary paid by the state to a district judge a judge of the court of appeals, other than the chief judge, payable monthly. Each member of the commission shall devote full-time to the duties of the office.

(c) The provisions of the Kansas sunset law apply to the state corporation commission created by this section and the commission is subject to abolition under that law.

Sec. 13. On July 1, 1984, K.S.A. 1983 Supp. 74-2434 is

hereby amended to read as follows: 74-2434. (a) Each member of the board shall receive an annual salary as provided in this section. Each of the members of the board shall devote full time to the duties of such office.

(b) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1982, the annual salary of the chairperson shall be \$38,500, and for the payroll periods chargeable to the fiscal year ending June 30, 1983 1985, and to each fiscal year thereafter, the annual salary of the chairperson shall be an amount equal to the annual salary paid by the state to a district judge designated as administrative judge.

(c) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1982, the annual salary of each member other than the chairperson shall be \$37,000, and for the payroll periods chargeable to the fiscal year ending June 30, 1983 1985, and to each fiscal year thereafter, the annual salary of each member other than the chairperson shall be an amount equal to the annual salary paid by the state to an associate district judge designated as administrative judge.

New Sec. 14. (a) Every person employed by the legislative branch of the state of Kansas on and after January 1, 1984, shall receive a monthly retirement benefit commencing on the first day of the month after the person has (1) attained age 65; (2) been employed by the legislative branch of the state of Kansas for 50 or more days in 10 or more calendar years; and (3) made application for such monthly retirement benefit to the Kansas public employees retirement system in the form and manner required by the retirement system. Such monthly retirement benefit shall be equal to the amount determined by multiplying \$5 by the total number of years in which such person was employed by the legislative branch of the state of Kansas for 50 or more days. No benefit shall include service with the legislative branch of the state of Kansas which is credited under the Kansas public employees retirement system or any other retirement system of the state of Kansas, however, such service may be used in determining whether the person has been employed for 10 or more calendar years.

(b) The service described in subsection (a) may be used by members of the Kansas public employees retirement system in determining whether such individuals meet any service requirements under such system. No benefit for service described in subsection (a) shall be the basis of any benefit paid under the Kansas public employees retirement system.

(c) No person's monthly retirement benefit under this section shall be increased for any period of employment with the legislative branch of the state of Kansas after applying for and commencing to receive such benefit, nor shall any benefit be forfeited for subsequent employment by the legislative branch of the state of Kansas. All benefits shall be paid from the Kansas public employees retirement fund. As soon as practical after the close of each fiscal year, the executive secretary of the Kansas public employees retirement system shall certify to the chairperson of the legislative coordinating council the amount of benefits paid under this section during the preceding fiscal year. The legislature shall pay to the Kansas public employees retirement fund from moneys appropriated to the legislature a sum equal to the amount of any benefits payable in the preceding fiscal year under the provisions of this section.

(d) In accordance with the provisions of this subsection, the legislative coordinating council may terminate the benefits under this section. If the legislative coordinating council decides to terminate benefits under this section, the chairperson of the council shall notify, in writing, the executive secretary of the Kansas public employees retirement system of such termination. Upon notification of termination of benefits under this section, no further benefits will be payable under the provisions of this section in any fiscal year which commences after the fiscal year in which notification of termination is given. Termination of benefits under this section shall not constitute a claim against the state of Kansas or the Kansas public employees retirement system by any person receiving a benefit under the provisions of this section or who would have been eligible to receive a benefit under the provisions of this section in the future.

(continued)

(e) This section shall take effect and be in force from and after July 1, 1984.

Sec. 15. On July 1, 1984, section 20 of 1984 Senate Substitute for House Bill No. 2903 is hereby repealed.

Sec. 16. On July 1, 1984, K.S.A. 1983 Supp. 75-3120k is hereby amended to read as follows: 75-3120k. (a) Effective for the first payroll period chargeable to the fiscal year ending June 30, 1981. The annual salary of district magistrate judges shall be paid in equal installments each payroll period in accordance with this section.

(b) Subject to the provisions of subsection (c) and except as otherwise provided in K.S.A. 1983 Supp. 75-3120l and amendments thereto, the annual salary of district magistrate judges shall be as follows: \$21,146 for the payroll periods chargeable to the fiscal year ending June 30, 1984, and each fiscal year thereafter.

For payroll periods chargeable to the fiscal year ending June 30, 1981	\$17,000
For payroll periods chargeable to the fiscal year ending June 30, 1982, and to each fiscal year thereafter	\$19,000

(c) Any district magistrate judge receiving an annual salary on the effective day of this act in an amount greater than the annual salary provided for in subsection (b) shall continue to receive such greater annual salary, but any successor to such judge's position shall receive an annual salary as otherwise provided by this section. The district magistrate judge in position one of Atchison county shall receive an annual salary equal to one-half (1/2) 1/2 of the annual salary provided for in subsection (b).

(d) No county may supplement the salary of, or pay any compensation to, any district magistrate judge.

Sec. 17. On July 1, 1984, K.S.A. 1983 Supp. 44-709, 74-601, 74-2434, 75-3120k, 75-3120f and 75-3120h are hereby repealed.

Sec. 18. 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. 19. 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 26, 1984.

House adopted Conference Committee report April 29, 1984.

Speaker of the House:
GENEVA SEWARD
Chief Clerk of the House.

Passed the SENATE as amended April 27, 1984.
Senate adopted Conference Committee report April 29, 1984.

President of the Senate:
LU KENNEY
Secretary of the Senate.

APPROVED May 11, 1984.

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 17th day of May, 1984.

(SEAL) JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 24, 1984.)

SENATE BILL No. 591

AN ACT concerning motor vehicles; towing or moving wrecked or disabled vehicles; certain functions of the state corporation commission; voluntary vehicle inspection; nonhighway vehicles; certificates of title; vehicle identification numbers; amending K.S.A. 8-116, 8-136 and K.S.A. 8-198, as amended by section 1 of 1984 Senate Bill No. 288, and K.S.A. 1983 Supp. 66-1,109 and repealing the existing sections; also repealing section 5 of 1984 Senate Bill No. 288.

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

New Section 1. As used in this act:

(a) "Wrecker or tow truck" means any motor vehicle equipped with booms, winches or similar equipment specifically designed for recovery or towing of vehicles.

(b) "Car carrier" means any vehicle specifically designed to transport wrecked, disabled or otherwise inoperable vehicles.

(c) "Vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a highway, except devices moved by human power or used exclusively upon stationary rails or tracks.

(d) "Wrecker or towing service" means the act of transporting, towing or recovering with a wrecker, tow truck or car carrier; any vehicle not owned by the operator of the wrecker, tow truck or car carrier for which the operator receives compensation or other personal gain, either directly or indirectly, except that such terms shall not include a private wrecker or towing service.

(e) "Private wrecker or towing service" means the act of transporting with a wrecker, tow truck or car carrier any vehicle owned by the operator of the wrecker, tow truck or car carrier.

(f) "Local wrecker carrier" means any person engaged in performing wrecker or towing service wholly within the corporate limits of a city in this state, or between contiguous cities in this state or in this and another state, or between any city in this or another state and the territory in this state within three miles of the corporate limits thereof.

(g) "Local wrecker carrier permit" means a credential issued by the state corporation commission as provided in this act.

New Sec. 2. On and after January 1, 1985, it is unlawful for any person to provide wrecker or towing service within this state without first having obtained a local wrecker carrier permit from the state corporation commission. The provisions of this act shall not require a motor common carrier or contract carrier with certificate or permit authority to provide wrecker or towing service to obtain any additional permit or authority under this act to perform the services so authorized, when such services are performed with a vehicle properly registered with the commission by such carrier.

New Sec. 3. Any person may apply to the state corporation commission for a local wrecker carrier permit. Applications shall be on forms provided by the commission and shall be supported with documentary and other evidence as the state corporation commission requires. Local wrecker carriers are required to comply with requirements of law relating to motor vehicle equipment, safety insurance and liability which are applicable to common carriers. When proper application is received, the commission shall issue the applicant a local wrecker carrier permit.

New Sec. 4. (a) Applications for a local wrecker carrier permit shall be accompanied by a filing fee of \$10. Each holder of a local wrecker carrier permit shall pay an annual fee to the state corporation commission of \$10 for each self-propelled motor vehicle operated under the permit. Upon payment of such fee, the commission shall issue identification for the vehicle.

(b) All vehicles operated under a local wrecker carrier permit shall have painted or durably marked on each such vehicle on both sides thereof, in plain letters not less than two inches in height and with not less than 1/4 inch stroke, the word "local," the gross weight for which the vehicle is licensed and the name and address of the owner or lessee of the vehicle.

New Sec. 5. The state corporation commission may adopt rules and regulations for the administration of this act.

New Sec. 6. Violation of this act or rules and regulations adopted thereunder is a misdemeanor. Any person convicted of such a violation shall be punished by a fine not exceeding \$500.

(continued)

Sec. 7. K.S.A. 8-136 is hereby amended to read as follows: 8-136. (a) A licensed manufacturer of or licensed dealer in vehicles demonstrating, displaying or exhibiting any such vehicle upon any highway in lieu of registering each such vehicle, may obtain from the division of vehicles, upon application therefor upon the proper official form, and payment of the fees required by law, and attach to each such vehicle, one (1) license plate which shall bear thereon have a distinctive number, also the name of this state, which may be abbreviated, and the year for which issued, together with the word "dealer" or a distinguishing symbol indicating that such license plate is issued to a manufacturer or dealer, and. Any such license plate so issued, may, during the calendar year for which issued, be transferred from one such vehicle to another owned or operated by such manufacturer or dealer. Such a license plate may be used in lieu of regular vehicle registration for the purposes of demonstrating, displaying or exhibiting vehicles held in inventory of such manufacturer or dealer. Such a license plate may also be used on such dealer's service vehicle, or substitute vehicles owned by the dealer but loaned to a customer when the dealer is repairing such customer's vehicle and for all other purposes incidental to a dealer's vehicle business. Such a license plate may not be used by a dealer to haul commodities weighing in excess of two tons. Such dealer license plates shall not be used on a vehicle which is used to tow or retrieve disabled vehicles and which is commonly known as a "wrecker vehicle." If any such wrecker vehicle shall be used for retrieving or towing of disabled vehicles other than to the city or village wherein the dealer's or manufacturer's place of business is located the wrecker vehicle shall be registered with the state corporation commission and shall be subject to the Kansas motor carrier law unless such operation is exempt under the provisions of subsections (a), (b), or (d) of K.S.A. 66-1-109, or acts amendatory thereof wrecker or tow truck when providing wrecker or towing service as defined by section 1.

(b) No manufacturer of or dealer in vehicles shall cause or permit any such vehicle owned by such person to be operated or moved upon a public highway without there being unless there is displayed upon such vehicle a number license plate as required by this section.

(c) No license plates shall be issued to any manufacturer or dealer unless such manufacturer or dealer at the time of making application therefor shall exhibit to the county treasurer or the division of vehicles a receipt showing that the applicant has paid all personal property taxes levied against such manufacturer or dealer for the preceding year, including taxes assessed against motor vehicles of such manufacturer or dealer which were assessed as stock in trade, or unless the manufacturer or dealer shall exhibit satisfactory evidence to the county treasurer that such manufacturer or dealer had no taxable property for the preceding year or if the application is made directly to the division of vehicles there shall be presented a statement by the county treasurer that the manufacturer or dealer had no taxable property for the preceding year. If application for registration is made before June 21, the receipt may show payment of only one-half (1/2) of the preceding year's taxes.

Sec. 8. K.S.A. 1983 Supp. 66-1,109 is hereby amended to read as follows: 66-1,109. This act shall not apply to:

- (a) Transportation by motor carriers wholly within the corporate limits of a city or village in this state, or between contiguous cities or villages in this state or in this and another state, or between any city or village in this or another state and the suburban territory in this state within three miles of the corporate limits thereof, but except that none of the exemptions specified in this subsection (a) shall apply to local wrecker carriers and none of the foregoing such exemptions shall apply to motor carriers of passengers (other than motor carriers of passengers operating as a part of the general transit system serving any such city or village in this or another state) operating on regular routes and time schedules between any city or village in this or another state, and the suburban territory in this state;
- (b) private motor carriers who operate within a radius of 25 miles beyond the corporate limits of such city or village;
- (c) the owner of livestock or producer of farm products transporting livestock of such owner or farm products of such pro-

ducer to market in a motor vehicle of such owner or producer, or the motor vehicle of a neighbor on the basis of barter or exchange for service or employment, or to such owner or producer transporting supplies for the use of such owner or producer in a motor vehicle of such owner or producer, or in the motor vehicle of a neighbor on the basis of barter or exchange for service or employment;

(d) persons operating motor vehicles used only to transport property when no common carrier is accessible, but when common-carrier service is available then this last exemption is limited to the transportation of such property from origin to the nearest practicable common-carrier receiving or loading point, or from a common-carrier unloading point by way of the shortest practicable route to destination, providing such motor vehicle does not pass a practicable delivery or receiving point of a common carrier equipped to transport said load, or when used to transport property from the point of origin to point of destination thereof when the destination of such property is less distant from the point of origin thereof than the nearest practicable common-carrier receiving or loading point equipped to transport such load;

(e) (1) the transportation of children to and from school, or (2) to motor vehicles owned by schools, colleges, and universities, religious or charitable organizations and institutions, or governmental agencies, when used to convey students, inmates, employees, athletic teams, orchestras, bands, etc.;

(f) a manufacturer of or new vehicle dealer in motor vehicles, trailers, or semitrailers operating in compliance with K.S.A. 8-136, and acts amendatory thereof or supplemental thereto as defined by K.S.A. 8-2401 when transporting property to or from the place of business of such dealer;

(g) motor vehicles carrying tools, property, or material belonging to the owner of said vehicle, and used in repair, building or construction work, not having been sold or being transported for the purpose of sale, lease, rent or bailment;

(h) persons operating motor vehicles which have an ad valorem tax situs in and are registered in the state of Kansas, and used only to transport grain from the producer to an elevator or other place for storage or sale for a distance of not to exceed 50 miles;

(i) the operation of hearses, funeral coaches, funeral cars, or ambulances by motor carriers;

(j) motor vehicles owned and operated by the United States, the District of Columbia, or any state, or any municipality, or any other political subdivision of this state, including vehicles used exclusively for handling U.S. mail;

(k) any motor vehicle with a normal seating capacity of not more than the driver and 16 adult passengers while used for vanpooling or otherwise not for profit in transporting persons who, as a joint undertaking, bear or agree to bear all the costs of such operations, or motor vehicles with a normal seating capacity of not more than the driver and 16 adult passengers for not-for-profit transportation by one or more employers of employees to and from the factories, plants, offices, institutions, construction sites or other places of like nature where such persons are employed or accustomed to work;

(l) motor vehicles used to transport water for domestic purposes or livestock consumption;

(m) transportation of sand, gravel, slag stone, limestone, crushed stone, cinders, calcium chloride, bituminous or concrete paving mixtures, blacktop, dirt or fill material to a construction site, highway maintenance or construction project or other storage facility and the operation of ready-mix concrete trucks in transportation of ready-mix concrete;

(n) the operation of a vehicle used exclusively for the transportation of solid waste, as the same is defined by K.S.A. 65-3402, and amendments thereto, to any solid waste processing facility or solid waste disposal area, as the same is defined by K.S.A. 65-3402, and amendments thereto;

(o) the transporting of vehicles used solely in the custom combining business when being transported by persons engaged in such business;

(p) the operation of vehicles used for servicing, repairing or

(continued)

transporting of implements of husbandry, as defined in K.S.A. 8-1427, by a person actively engaged in the business of buying, selling or exchanging implements of husbandry, if such operation is within 100 miles of such person's established place of business in this state; and

(g) transportation by taxi or bus companies operated exclusively within any city or within 25 miles of the point of its domicile in a city.

New Sec. 9. Except as otherwise authorized under other laws of this state, a motor carrier who holds a certificate of convenience and necessity, a contract carrier permit, a private carrier permit or an interstate license from the state corporation commission may, upon application to the commission, be designated to establish an authorized inspection station for the inspection of the motor vehicles, trailers and semitrailers operated in this state by such motor carrier for compliance with the equipment statutes and rules and regulations of this state. Such inspection station shall be located in Kansas. If the condition of the motor vehicle, trailer or semitrailer is found to be in compliance with the laws of this state, the authorized inspection station shall issue a certificate of inspection stating its approval and the date of the inspection. No certificate shall be issued unless equipment not in compliance is first repaired or corrected and records of such repairs or corrections are maintained by the authorized inspection station. Certificates issued under this section shall be valid for 12 months from the date of issue. Every certificate of approval issued pursuant to this section shall be issued in triplicate. One copy of such certificate shall be carried in the motor vehicle of the combination of vehicles of which a trailer or semitrailer is a part or in the motor vehicle if applicable to the motor vehicle, during the time such certificate is valid or in effect, one copy shall be retained by the authorized inspection station as prescribed by rules and regulations of the commission and the third copy shall be returned to the commission. Such equipment inspection records shall be made available to the commission upon request. The commission shall adopt rules and regulations for the administration of this section and shall establish a schedule of fees and charges governing the cost of administration of such authorized inspection stations.

Sec. 10. K.S.A. 8-198, as amended by section 1 of 1984 Senate Bill No. 288, is hereby amended to read as follows: 8-198. (a) A nonhighway vehicle shall not be required to be registered in this state, as provided in K.S.A. 8-135 and amendments thereto, but nothing in this section shall be construed as abrogating, limiting or otherwise affecting the provisions of K.S.A. 8-142 and amendments thereto, which make it unlawful for any person to operate or knowingly permit the operation in this state of a vehicle required to be registered in this state.

(b) Upon the sale or transfer of any nonhighway vehicle, the purchaser thereof shall obtain a nonhighway certificate of title in the following manner:

(1) If the transferor is a vehicle dealer, as defined in K.S.A. 8-2401 and amendments thereto, and a certificate of title has not been issued for such vehicle under this section or under the provisions of K.S.A. 8-135 and amendments thereto, such transferor shall make application for and assign a nonhighway certificate of title to the purchaser of such nonhighway vehicle in the same manner and under the same conditions prescribed by K.S.A. 8-135 and amendments thereto for the application for and assignment of a certificate of title thereunder. Upon the assignment thereof, the purchaser shall make application for a new nonhighway certificate of title, as provided in subsection (c).

(2) Except as provided in subsection (b) of K.S.A. 8-199 and amendments thereto, if a certificate of title has been issued for any such vehicle under the provisions of K.S.A. 8-135 and amendments thereto, the owner of such nonhighway vehicle may surrender such certificate of title to the division of vehicles and make application to the division for a nonhighway certificate of title, or said the owner may obtain from the county treasurer's office a form prescribed by the division of vehicles and, upon proper execution thereof and, may assign the nonhighway certificate of title or the regular certificate of title with said such form attached thereto to the purchaser of the nonhighway vehicle. Upon the receipt of the nonhighway certificate of title or the

regular certificate of title and with such form attached thereto, the purchaser shall make application for a new nonhighway certificate of title in the manner prescribed as provided in subsection (c).

(3) If the transferor is not a vehicle dealer, as defined in K.S.A. 8-2401 and amendments thereto, and a certificate of title has not been issued for such the vehicle under this section or a certificate of title was not required under K.S.A. 8-135 and amendments thereto, the transferor shall make application to the division for a nonhighway certificate of title, as provided in this section, except that in addition thereto, the division shall require a bill of sale or such transferor's affidavit, with at least one other corroborating affidavit, that such transferor is the owner of such nonhighway vehicle. If the division is satisfied that the transferor is the owner thereof, the division shall issue a nonhighway certificate of title for such vehicle, and the transferor shall assign the same to the purchaser, who shall make application for a new nonhighway certificate of title, in the manner as provided in subsection (c).

(c) Every purchaser of a nonhighway vehicle, whether assigned a nonhighway certificate of title or a regular certificate of title with the form specified in part (2) of subsection (b) attached thereto, shall make application to the county treasurer of the county in which such person resides for a new nonhighway certificate of title in the same manner and under the same conditions prescribed as for an application for a certificate of title under K.S.A. 8-135 and amendments thereto. Such application shall be in the form prescribed by the director of vehicles and shall contain substantially the same provisions as required for an application under subsection (c)(1) of K.S.A. 8-135 and amendments thereto. In addition, such application shall provide a place for the applicant to certify that the vehicle for which an the application for a nonhighway certificate of title is made is a nonhighway vehicle, and shall contain such other provisions as the director deems necessary. Each application for a nonhighway certificate of title shall be accompanied by a fee of \$3.50, and in addition, if the application is not made to the county treasurer within the time prescribed by K.S.A. 8-135 and amendments thereto for making application for a certificate of title thereunder, an additional fee of \$2 shall be charged.

(d) A nonhighway certificate of title shall be in such form and color as may be prescribed by the director of vehicles, and may be of a distinctive color so as to distinguish it from a certificate of title issued under the provisions of K.S.A. 8-135 and amendments thereto. A nonhighway certificate of title shall indicate clearly and distinctly on the its face thereof that it is issued for a nonhighway vehicle. A nonhighway certificate of title shall contain substantially the same information as required on a certificate of title issued under K.S.A. 8-135 and amendments thereto, and such other information as the director deems necessary.

(e) A nonhighway certificate of title may be transferred in the same manner and under the same conditions as prescribed by K.S.A. 8-135 and amendments thereto for the transfer of a certificate of title thereunder, except as otherwise provided herein in this section. A nonhighway certificate of title may be assigned and transferred only so long as while the vehicle for which such title is issued remains a nonhighway vehicle. Upon the transfer or sale of a nonhighway vehicle which has been rebuilt or restored or is otherwise in a condition which will allow the registration of such vehicle, the owner of such vehicle shall assign the nonhighway certificate of title to the purchaser, and the purchaser shall obtain a certificate of title and register such vehicle as provided in K.S.A. 8-135 and amendments thereto. No regular certificate of title shall be issued for a vehicle for which there has theretofore been issued a nonhighway certificate of title until there has been compliance with section 11.

(f) If a nonhighway vehicle, for which a nonhighway certificate of title has been issued, is destroyed, dismantled or sold as junk, the owner thereof immediately shall surrender to the division the original or assigned nonhighway certificate of title, with the word "salvage" written across the its face thereof, and no certificate of title of any type shall be issued nor any registration allowed again for such destroyed, dismantled or junked vehicle.

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(f) (g) The owner of such a vehicle which has been assembled, reconstructed, reconstituted or restored or otherwise placed in an operable condition may make application to any the county treasurer for a permit to operate such vehicle on the highways of this state over the most direct route from the place such nonhighway vehicle is located to a specified inspection station location named on the permit and to return to the original location. No such permit shall be issued for any vehicle unless the owner thereof has motor vehicle liability insurance coverage or an approved self-insurance plan as required by under K.S.A. 40-3104 and amendments thereto. Such permit shall be on a form prescribed and furnished by the director of vehicles and shall state thereon the exact date such the vehicle is to be taken to the inspection station other location, the name of the insurer, as defined in K.S.A. 40-3103 and amendments thereto, and the policy number (or a statement that the vehicle is included in a self-insurance plan approved by the commissioner of insurance), a statement attesting to the correctness of the information concerning financial security, the vehicle identification number and a description of the vehicle. Such permit shall be signed by the owner of the vehicle for which the permit is issued. Every permit issued pursuant to. Permits issued under this subsection (g) shall be prepared in triplicate. One copy shall be carried in the vehicle for which it is issued and shall be displayed so that it is visible when viewing from the rear of such the vehicle. The second copy shall be retained by the county treasurer, and the third copy shall be forwarded by the county treasurer to the division of vehicles. The fee for such permit shall be \$1 which shall be retained by the county treasurer, who shall annually forward 25% of all such fees collected to the division of vehicles to reimburse the division for administrative expenses, and shall deposit the remainder thereof in a special fund to be used to defray for expenses incurred in of issuing such permits.

(g) (h) A nonhighway vehicle for which a nonhighway certificate of title has been issued pursuant to this section shall not be deemed a motor vehicle for the purposes of K.S.A. 40-3101 to 40-3121, inclusive, and amendments thereto except when such vehicle is being operated pursuant to subsection (f) (g). Any person who shall knowingly make makes a false statement concerning financial security in obtaining a permit pursuant to subsection (f) (g), or who shall fail fails to obtain a permit when required by law to do so, shall be is guilty of a class C misdemeanor.

New Sec. 11. (a) When an application is made for a vehicle which has been assembled, reconstructed, reconstituted or restored from one or more vehicles, or the proper identification number of a vehicle is in doubt, the procedure in this section shall be followed. The owner of the vehicle shall request the Kansas highway patrol to check the vehicle. At the time of such check the owner shall supply the highway patrol with information concerning the history of the various parts of the vehicle. Such information shall be supplied by affidavit of the owner, if so requested by the highway patrol. If the highway patrol is satisfied that the vehicle is not a stolen vehicle, it shall assign an existing or new identification number to the vehicle and direct the places and manner in which the identification number is to be located and affixed or implanted. A charge of \$10 per hour or part thereof, with a minimum charge of \$10, shall be made to the owner of a vehicle requesting check under this subsection, and such charge shall be paid prior to the check under this section.

(b) From and after the effective date of this act, any person making application for any original Kansas title for a used vehicle which is, at the time of making application, titled in another jurisdiction, shall, as a condition precedent to obtaining any Kansas title, have such vehicle checked by the Kansas highway patrol for verification that the vehicle identification number shown on the foreign title is genuine and agrees with the identification number on the vehicle. The verification shall be made upon forms prescribed by the division of vehicles which shall contain such information as the secretary of revenue shall require by rules and regulations. A charge of \$10 per hour or part thereof, with a minimum charge of \$10, shall be made for checks under this subsection.

(c) As used in this act, "identification number" or "vehicle

identification number" means an identifying number, serial number, engine number, transmission number or other distinguishing number or mark, placed on a vehicle, engine, transmission or other essential part by its manufacturer or by authority of the division of vehicles or the Kansas highway patrol or in accordance with the laws of another state or country.

(d) The checks made under subsection (b) may be made by a designee of the superintendent of the Kansas highway patrol. For checks made by designees, \$1 of each check shall be remitted to the Kansas highway patrol and deposited in the state general fund, and the balance of such charges shall be retained by such designee. When a check is made under either subsection (a) or (b) by personnel of the Kansas highway patrol, the entire amount of the charge therefor shall be deposited in the state general fund.

Sec. 12. K.S.A. 8-116 is hereby amended to read as follows: 8-116. Any person who after the taking effect of this act shall (a) It is unlawful to sell, barter or exchange or offer for sale, barter or exchange in this state, or who shall any motor vehicle, trailer or semitrailer, or to own or have the custody or possession of a motor vehicle, trailer or semitrailer, the original engine number, vehicle identification number, or serial number of which has been destroyed, removed, altered or defaced, or who shall sell, barter or exchange, or offer for sale, barter or exchange, own or have the custody or possession of a motor vehicle having no engine number, identification number or serial number, whichever number is used by the division of vehicles in titling and registering such vehicles according to the year and make, excepting electrically propelled motor vehicles, shall be punished by a fine of not less than two hundred dollars (\$200) nor more than five hundred dollars (\$500), or by imprisonment in the county jail for a term of not less than thirty (30) days nor more than ninety (90) days, or by both fine and imprisonment, except as contemplated by section 11 when no part of the motor vehicle, trailer or semitrailer has been stolen and a vehicle identification number has been assigned to the motor vehicle according to law. Violation of this subsection (a) is a class C misdemeanor. If the original motor number cannot be determined, the division of vehicles shall then issue consecutive numbers beginning with the number one (1), preceded by the letter "S" and followed by the "KAN" and in the order of the filing of applications. If the original identification number cannot be determined, the division shall either issue a special identification number following the same procedure as set out for engine numbers or upon proper forms or affidavits as may be required, authorize the owner to make application to the manufacturer for a duplicate identification number.

Upon the receipt of such application together with a fee of one dollar (\$1) it shall be the duty of the division of vehicles, provided it shall find said application to be in good faith and the facts therein stated to be true, to issue to said applicant a special engine number or a special identification number or authorize the owner to secure a duplicate identification number from the manufacturer as provided for above, and when such special engine number, special identification number or duplicate identification number so designated has been stamped or otherwise placed on the engine or chassis or body of such motor vehicle, it shall become and thereafter be the lawful engine number, identification number or duplicate identification number of such motor vehicle for the purpose of identification and registration, and for all other purposes under the provisions of this act, and the owner thereof may sell and transfer the same under said special engine number, identification number or duplicate identification number so designated by the division; and

(b) Any person or persons who shall destroy, remove, alter or deface any special engine number, vehicle identification number or duplicate identification number so designated by the division, shall be deemed, except as contemplated by section 11 when no part of the motor vehicle, trailer or semitrailer has been stolen, is guilty of a class E felony; and upon conviction thereof shall be punished by imprisonment in the state penitentiary for a term of not less than two (2) nor more than five (5) years. It shall be the duty of.

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(c) Every sheriff, deputy sheriff, constable, deputy constable, chief of police, or other peace officer law enforcement officer in this state having knowledge of a motor vehicle, trailer or semitrailer the engine vehicle identification number, identification number or duplicate identification number of which has been destroyed, removed, altered or defaced, to immediately shall seize and take possession of such motor vehicle, trailer or semitrailer, arrest the owner or custodian thereof and cause prosecution to be brought in a court of competent jurisdiction. The provisions of K.S.A. 22-2512 and amendments thereto shall apply to any motor vehicle, trailer or semitrailer seized under this section.

It shall be the duty of the court to retain the custody of such motor vehicle pending the prosecution of the person arrested, and in case such person shall be found guilty said motor vehicle shall remain in the custody of the court until the fine and costs of prosecution shall be paid. In case fine and costs shall not be paid within thirty (30) days after the rendition of judgment, said court shall proceed to advertise and sell said motor vehicle in the manner provided by law for the sale of personal property under execution. The proceeds of such sale shall be applied on the payment of the fine and costs of such prosecution and sale, and if after the payment of the same there shall be any sum remaining, such sum shall be paid by the court to the legal owner or custodian of such motor vehicle. *Provided further*, That if any person being the owner or in possession of any such vehicle, the original engine number or identification number or serial number of which has been destroyed, removed, altered, or defaced, at the time of the taking effect of this act, shall apply, as hereinbefore provided, for permission to stamp or cause to be stamped on such engine special number, such persons shall not be subject to the prosecution under the provisions thereof.

Sec. 13. K.S.A. 8-116, 8-136 and K.S.A. 8-198, as amended by section 1 of 1984 Senate Bill No. 288, and K.S.A. 1983 Supp. 66-1,109 and section 5 of 1984 Senate Bill No. 288 are hereby repealed.

Sec. 14. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body February 29, 1984.

Senate adopted Conference Committee report April 27, 1984.

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

Passed the HOUSE as amended March 29, 1984.

House adopted Conference Committee report April 27, 1984.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 10, 1984.

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 11th day of May, 1984.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 24, 1984.)

SENATE BILL No. 890

AN ACT concerning the employment security law; relating to benefit eligibility for employees of certain federal postsecondary educational institutions; amending K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 House Bill No. 2629, and repealing the existing section.

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

Section 1. K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 House Bill No. 2629, is hereby amended to read as follows: 44-703. As used in this act, unless the context clearly requires otherwise: (a) (1) "Annual payroll" means the total amount of wages paid or payable by an employer during the calendar year.

(2) "Average annual payroll" means the average of the annual payrolls of any employer for the last three calendar years immediately preceding the computation date as hereinafter defined if the employer has been continuously subject to contributions during those three calendar years and has paid some wages for employment during each of such years. In determining contribution rates for the calendar year, if an employer has not been continuously subject to contribution for the three calendar years immediately preceding the computation date but has paid wages subject to contributions during only the two calendar years immediately preceding the computation date, such employer's "average annual payroll" shall be the average of the payrolls for those two calendar years.

(b) "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, except that the base period in respect to combined wage claims means the base period as defined in the law of the paying state.

(c) (1) "Benefits" means the money payments payable to an individual, as provided in this act, with respect to such individual's unemployment.

(2) "Regular benefits" means benefits payable to an individual under this act or under any other state law, including benefits payable to federal civilian employees and to exservicemen pursuant to 5 U.S.C. chapter 85, other than extended benefits.

(d) "Benefit year" with respect to any individual, means the period beginning with the first day of the first week for which such individual files a valid claim for benefits, and such benefit year shall continue for one full year. In the case of a combined wage claim, the benefit year shall be the benefit year of the paying state. Following the termination of a benefit year, a subsequent benefit year shall commence on the first day of the first week with respect to which an individual next files a claim for benefits. When such filing occurs with respect to a week which overlaps the preceding benefit year, the subsequent benefit year shall commence on the first day immediately following the expiration date of the preceding benefit year. Any claim for benefits made in accordance with subsection (a) of K.S.A. 44-709 and amendments thereto shall be deemed to be a "valid claim" for the purposes of this subsection if the individual has been paid wages for insured work as required under subsection (e) of K.S.A. 44-705 and amendments thereto. Whenever a week of unemployment overlaps two benefit years, such week shall, for the purpose of granting waiting-period credit or benefit payment with respect thereto, be deemed to be a week of unemployment within that benefit year in which the greater part of such week occurs.

(e) "Commissioner" or "secretary" means the secretary of human resources.

(f) (1) "Contributions" means the money payments to the state employment security fund which are required to be made by employers on account of employment under K.S.A. 44-710 and amendments thereto, and voluntary payments made by employers pursuant to such statute.

(2) "Payments in lieu of contributions" means the money payments to the state employment security fund from employers which are required to make or which elect to make such payments under subsection (e) of K.S.A. 44-710 and amendments thereto.

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(g) "Employing unit" means any individual or type of organization, including any partnership, association, agency or department of the state of Kansas and political subdivisions thereof, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign including nonprofit corporations, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representatives of a deceased person, which has in its employ one or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this act. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the employment.

(h) "Employer" means:

(1) (A) Any employing unit for which agricultural labor as defined in subsection (w) of this section is performed and which during any calendar quarter in either the current or preceding calendar year paid remuneration in cash of \$20,000 or more to individuals employed in agricultural labor or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment of time.

(B) For the purpose of this subsection (h)(1), any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other person shall be treated as an employee of such crew leader if:

(i) Such crew leader holds a valid certificate of registration under the farm labor contractor registration act of 1963 or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or cropdusting equipment or any other mechanized equipment, which is provided by such crew leader; and

(ii) such individual is not in the employment of such other person within the meaning of subsection (i) of this section.

(C) For the purpose of this subsection (h)(1), in the case of any individual who is furnished by a crew leader to perform service in agricultural labor for any other person and who is not treated as an employee of such crew leader:

(i) Such other person and not the crew leader shall be treated as the employer of such individual; and

(ii) such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader, either on the crew leader's own behalf or on behalf of such other person, for the service in agricultural labor performed for such other person.

(D) For the purposes of this subsection (h)(1) "crew leader" means an individual who:

(i) Furnishes individuals to perform service in agricultural labor for any other person;

(ii) pays, either on such individual's own behalf or on behalf of such other person, the individuals so furnished by such individual's for the service in agricultural labor performed by them; and

(iii) has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.

(2) (A) Any employing unit which: (i) In any calendar quarter in either the current or preceding calendar year paid for service in employment wages of \$1,500 or more, or (ii) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or preceding calendar year, had in employment at least one individual, whether or not the same individual was in employment in each such day.

(B) Employment of individuals to perform domestic service

or agricultural labor and wages paid for such service or labor shall not be considered in determining whether an employing unit meets the criteria of this subsection (h)(2).

(3) Any employing unit for which service in employment as defined in subsection (i)(3)(E) of this section.

(4) Any employing unit, whether or not it is an employing unit under subsection (g) of this section, which acquires or in any manner succeeds to (A) substantially all of the employing enterprises, organization, trade or business, or (B) substantially all the assets, of another employing unit which at the time of such acquisition was an employer subject to this act.

(5) Any employing unit which paid cash remuneration of \$1,000 or more in any calendar quarter in the current or preceding calendar year to individuals employed in domestic service as defined in subsection (aa) of this section.

(6) Any employing unit which having become an employer under this subsection (h) has not, under subsection (b) of K.S.A. 44-711 and amendments thereto, ceased to be an employer subject to this act.

(7) Any employing unit which has elected to become fully subject to this act in accordance with subsection (c) of K.S.A. 44-711 and amendments thereto.

(8) Any employing unit not an employer by reason of any other paragraph of this subsection (h), for which within either the current or preceding calendar year services in employment are or were performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund; or which, as a condition for approval of this act for full tax credit against the tax imposed by the federal unemployment tax act, is required, pursuant to such act, to be an "employer" under this act.

(9) Any employing unit described in section 501(c)(3) of the federal internal revenue code of 1954 which is exempt from income tax under section 501(a) of the code that had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(i) "Employment" means:

(1) Subject to the other provisions of this subsection, service, including service in interstate commerce, performed by

(A) Any active officer of a corporation; or

(B) any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

(C) any individual other than an individual who is an employee under subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services for remuneration for any person:

(i) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for such individual's principal; or

(ii) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, a principal (except for side-line sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

For purposes of subsection (i)(1)(C), the term "employment" shall include services described in paragraphs (i) and (ii) above only if:

(a) The contract of service contemplates that substantially all of the services are to be performed personally by such individual;

(b) the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation); and

(c) the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's

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entire service within the United States, even though performed entirely outside this state if,

(A) The service is not localized in any state, and
(B) the individual is one of a class of employees who are required to travel outside this state in performance of their duties, and

(C) the individual's base of operations is in this state, or if there is no base of operations, then the place from which service is directed or controlled is in this state.

(3) The term "employment" shall also include:

(A) Services performed within this state but not covered by the provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be employment subject to this act if contributions are not required and paid with respect to such services under an unemployment compensation law of any other state or of the federal government.

(B) Services performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the federal government, shall be deemed to be employment subject to this act only if the individual performing such services is a resident of this state and the secretary approved the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this act.

(C) Services covered by an arrangement pursuant to subsection (l) of K.S.A. 44-714 and amendments thereto between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law, pursuant to which all services performed by an individual for an employing unit are deemed to be performed entirely within this state, shall be deemed to be employment if the secretary has approved an election of the employing unit for whom such services are performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be insured work.

(D) Services performed by an individual for wages or under any contract of hire shall be deemed to be employment subject to this act unless and until it is shown to the satisfaction of the secretary that: (i) Such individual has been and will continue to be free from control or direction over the performance of such services, both under the individual's contract of hire and in fact; and (ii) such service is either outside the usual course of the business for which such service is performed or that such service is performed outside of all the places of business of the enterprise for which such service is performed.

(E) Service performed by an individual in the employ of this state or any instrumentality thereof, any political subdivision of this state or any instrumentality thereof, any instrumentality of more than one of the foregoing or any instrumentality which is jointly owned by this state or a political subdivision thereof and one or more other states or political subdivisions of this or other states, provided that such service is excluded from "employment" as defined in the federal unemployment tax act by reason of section 3306(c)(7) of that act and is not excluded from "employment" under subsection (i)(4)(A) of this section.

(F) Service performed by an individual in the employ of a religious, charitable, educational or other organization which is excluded from the term "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c)(8) of that act, and is not excluded from employment under paragraphs (I) through (M) of subsection (i)(4).

(G) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or, prior to and including December 31 of the year in which the U.S. secretary of labor approves an unemployment compensation law submitted by the Virgin Islands), in the employ of an American employer (other than service which is deemed "employment" under the provisions of subsection (i)(2) or subsection (i)(3) or the parallel provisions of another state's law), if:

(i) The employer's principal place of business in the United States is located in this state; or

(ii) the employer has no place of business in the United States, but

(A) The employer is an individual who is a resident of this state; or

(B) the employer is a corporation which is organized under the laws of this state; or

(C) the employer is a partnership or a trust and the number of the partners or trustees who are residents of this state is greater than the number who are residents of any other state; or

(iii) None of the criteria of paragraphs (i) and (ii) above of this subsection (i)(3)(G) are met but the employer has elected coverage in this state or, the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(H) An "American employer," for purposes of subsection (i)(3)(G), means a person who is:

(i) An individual who is a resident of the United States; or

(ii) a partnership if $\frac{2}{3}$ or more of the partners are residents of the United States; or

(iii) a trust, if all of the trustees are residents of the United States; or

(iv) a corporation organized under the laws of the United States or of any state.

(I) Notwithstanding subsection (i)(2) of this section, all service performed by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office, from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(J) Notwithstanding any other provisions of this subsection (i), service with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this act.

(K) Domestic service in a private home, local college club or local chapter of a college fraternity or sorority performed for a person who paid cash remuneration of \$1,000 or more in any calendar quarter in the current calendar year or the preceding calendar year to individuals employed in such domestic service.

(4) The term "employment" shall not include: (A) Service performed in the employ of an employer specified in subsection (h)(3) of this section if such service is performed by an individual in the exercise of duties:

(i) As an elected official;

(ii) as a member of a legislative body, or a member of the judiciary, of a state or political subdivision;

(iii) as a member of the state national guard or air national guard;

(iv) as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;

(v) in a position which, under or pursuant to the laws of this state, is designated as a major nontenured policymaking or advisory position or as a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week;

(B) service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(C) service performed by an individual in the employ of such individual's son, daughter or spouse, and service performed by a child under the age of 18 years in the employ of such individual's father or mother;

(D) service performed in the employ of the United States government or an instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by this act, except that to the extent that the congress of the United States shall permit states to require any instrumentality of the United States to make payments into an unemployment fund under a state unemployment compensation law, all of the provisions of this act shall be applicable to such instrumentalities, and to services performed for such instrumen-

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talities, in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services. If this state shall not be certified for any year by the federal security agency under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the secretary from the fund in the same manner and within the same period as is provided in subsection (f) of K.S.A. 44-717 and amendments thereto with respect to contributions erroneously collected;

(E) service covered by an arrangement between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within the jurisdiction of such other state or federal agency;

(F) service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(G) service performed by an individual for an employing unit as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such employing unit is performed for remuneration solely by way of commission;

(H) service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) of the federal internal revenue code (other than an organization described in section 401(a) or under section 521 of such code) if the remuneration for such service is less than \$50. In construing the application of the term "employment," if services performed during $\frac{1}{2}$ or more of any pay period by an individual for the person employing such individual constitute employment, all the services of such individual for such period shall be deemed to be employment; but if the services performed during more than $\frac{1}{2}$ of any such pay period by an individual for the person employing such individual do not constitute employment, then none of the services of such individual for such period shall be deemed to be employment. As used in this subsection (i)(4)(H) the term "pay period" means a period (of not more than 31 consecutive days) for which a payment of remuneration is ordinarily made to the individual by the person employing such individual. This subsection (i)(4)(H) shall not be applicable with respect to services with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(I) services performed in the employ of a church or convention or association of churches, or an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(J) service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of such individual's ministry or by a member of a religious order in the exercise of duties required by such order;

(K) service performed in a facility conducted for the purpose of carrying out a program of:

(i) Rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or

(ii) providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work;

(L) service performed as part of an employment work-relief or work-training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training;

(M) service performed by an inmate of a custodial or correctional institution, unless such service is performed for a private, for-profit employer;

(N) service performed, in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college or university;

(O) service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subsection (i)(4)(O) shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(P) service performed in the employ of a hospital licensed, certified or approved by the secretary of health and environment, if such service is performed by a patient of the hospital.

(j) "Employment office" means any office operated by this state and maintained by the secretary of human resources for the purpose of assisting persons to become employed.

(k) "Fund" means the employment security fund established by this act, to which all contributions and reimbursement payments required and from which all benefits provided under this act shall be paid and including all money received from the federal government as reimbursements pursuant to section 204 of the federal-state extended compensation act of 1970, and amendments thereto.

(l) "State" includes, in addition to the states of the United States of America, any dependency of the United States, the Commonwealth of Puerto Rico, the District of Columbia and the Virgin Islands.

(m) "Unemployment." An individual shall be deemed "unemployed" with respect to any week during which such individual performs no services and with respect to which no wages are payable to such individual, or with respect to any week of less than full-time work if the wages payable to such individual with respect to such week are less than such individual's weekly benefit amount.

(n) "Employment security administration fund" means the fund established by this act, from which administrative expenses under this act shall be paid.

(o) "Wages" means all compensation for services, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, except for the value of meals furnished an employee on the employer's premises for the convenience of the employer. The reasonable cash value of remuneration in any medium other than cash, shall be estimated and determined in accordance with rules and regulations prescribed by the secretary. The term "wages" shall not include:

(1) That part of the remuneration which has been paid in a calendar year to an individual by an employer or such employer's predecessor in excess of \$3,000 for all calendar years prior to 1972, \$4,200 for the calendar years 1972 to 1977, inclusive, \$6,000 for calendar years 1978 to 1982, inclusive, \$7,000 for the calendar year 1983, and \$8,000 with respect to employment during any calendar year following 1983, except that if the definition of the term "wages" as contained in the federal unemployment tax act is amended to include remuneration in excess of \$8,000 paid to an individual by an employer under the federal act during any calendar year, wages shall include remuneration paid in a calendar year to an individual by an employer subject to this act or such employer's predecessor with respect to employment during any calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this subsection (o)(1), the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(2) the amount of any payment to, or on behalf of, an individual in its employ under a plan or system established by an employing unit which makes provisions for individuals in its employ generally or for a class or classes of such individuals (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment) on account of (A) retirement, or (B) sickness or accident disability,

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or (C) medical and hospitalization expenses in connection with sickness or accident disability, or (D) death. If the individual in its employ: (i) Has not the option to receive, instead of provisions for such death benefit any part of such payment or, if such death benefit is insured, any part of the premiums (or contributions to premiums) paid by such individual's employing unit; and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive cash consideration in lieu of such benefit either upon such individual's withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of such individual's services with such employment unit;

(3) the payment by an employing unit (without deduction from the remuneration of the employee) of the tax imposed upon an employee under section 3101 of the internal revenue code with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor. This paragraph (3) of subsection (o) will apply to all remuneration paid after December 31, 1980, except that this paragraph (3) of subsection (o) shall not apply to any payment made before January 1, 1984, by any governmental unit for positions of a kind for which all or a substantial portion of the social security employee taxes were paid by such governmental unit (without deduction from the remuneration of the employee) under the practices of such governmental unit in effect on October 1, 1980;

(4) notwithstanding the foregoing provisions of this subsection (o), "total wages" mean the gross amount paid by an employer to such employer's employees with respect to a week, month, year or other period as required by subsection (e)(2) of K.S.A. 44-710, and amendments thereto.

(p) "Week" means such period or periods of seven consecutive calendar days, as the secretary may by rules and regulations prescribe.

(q) "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September 30 or December 31, or the equivalent thereof as the secretary may by rules and regulations prescribe.

(r) "Insured work" means employment for employers.

(s) "Approved training" means any vocational training course or course in basic education skills approved by the secretary or a person or persons designated by the secretary.

(t) "American vessel" or "American aircraft" means any vessel or aircraft documented or numbered or otherwise registered under the laws of the United States; and any vessel or aircraft which is neither documented or numbered or otherwise registered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any state.

(u) "Institution of higher education," for the purposes of this section, means an educational institution which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized in this state to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of postgraduate or postdoctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(4) is a public or other nonprofit institution.

Notwithstanding any of the foregoing provisions of this subsection (u), all colleges and universities in this state are institutions of higher education for purposes of this section, *except that no college, university, junior college or other postsecondary school or institution which is operated by the federal government or any agency thereof shall be an institution of higher education for purposes of the employment security law.*

(v) "Educational institution" means any institution of higher

education, as defined in subsection (u) of this section, or any institution, *except private for profit institutions*, in which participants, trainees or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher and which is approved, licensed or issued a permit to operate as a school by the state department of education or other government agency that is authorized within the state to approve, license or issue a permit for the operation of a school. The courses of study or training which an educational institution offers may be academic, technical, trade or preparation for gainful employment in a recognized occupation.

(w) (1) "Agricultural labor" means any remunerated service:

(A) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife.

(B) In the employ of the owner or tenant or other operator of a farm, in connection with the operating, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(C) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section (15)(g) of the agricultural marketing act, as amended (46 Stat. 1500, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes.

(D) (i) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than 1/2 of the commodity with respect to which such service is performed;

(ii) in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in paragraph (i) above of this subsection (w)(1)(D), but only if such operators produced more than 1/2 of the commodity with respect to which such service is performed;

(iii) the provisions of paragraphs (i) and (ii) above of this subsection (w)(1)(D) shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(E) On a farm operated for profit if such service is not in the course of the employer's trade or business.

(2) "Agricultural labor" does not include service performed prior to January 1, 1980, by an individual who is an alien admitted to the United States to perform service in agricultural labor pursuant to sections 214(c) and 101(a)(15)(H) of the immigration and nationality act.

(3) As used in this subsection (w), the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(x) "Reimbursing employer" means any employer who makes payments in lieu of contributions to the employment security fund as provided in subsection (e) of K.S.A. 44-710 and amendments thereto.

(y) "Contributing employer" means any employer other than a reimbursing employer or rated governmental employer.

(z) "Wage combining plan" means a uniform national arrangement approved by the United States secretary of labor in

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(Published in the KANSAS REGISTER, May 24, 1984.)

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consultation with the state unemployment compensation agencies and in which this state shall participate, whereby wages earned in one or more states are transferred to another state, called the "paying state," and combined with wages in the paying state, if any, for the payment of benefits under the laws of the paying state and as provided by an arrangement so approved by the United States secretary of labor.

(aa) "Domestic service" means any service for a person in the operation and maintenance of a private household, local college club or local chapter of a college fraternity or sorority, as distinguished from service as an employee in the pursuit of an employer's trade, occupation, profession, enterprise or vocation.

(bb) "Rated governmental employer" means any governmental entity which elects to make payments as provided by K.S.A. 44-710d and amendments thereto.

(cc) "Benefit cost payments" means payments made to the employment security fund by a governmental entity electing to become a rated governmental employer.

(dd) "Successor employer" means any employer, as described in subsection (h) of this section, which acquires or in any manner succeeds to (1) substantially all of the employing enterprises, organization, trade or business of another employer or (2) substantially all the assets of another employer.

(ee) "Predecessor employer" means an employer, as described in subsection (h) of this section, who has previously operated a business or portion of a business with employment to which another employer has succeeded.

Sec. 2. K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 House Bill No. 2629, is hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body April 27, 1984.

SENATE concurred in HOUSE amendments April 28, 1984.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 28, 1984.

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

APPROVED May 11, 1984.

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 17th day of May, 1984.

(SEAL)

JACK H. BRIER
Secretary of State.

AN ACT concerning unemployment compensation; relating to disqualification for benefits; concerning classification of employers; relating to claims against the state; relating to processing and auditing thereof; prescribing certain powers, duties and functions for the secretary of administration; establishing the state agency unemployment claims audit fund; authorizing certain fees and prescribing the disposition thereof; amending K.S.A. 1983 Supp. 44-706 and 44-710 and K.S.A. 1983 Supp. 44-710a, as amended by section 3 of 1984 House Bill No. 2629, and K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 Senate Bill No. 890, and repealing the existing sections.

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

New Section 1. (a) The state agency unemployment claims audit fund is hereby established in the state treasury. Within the limits of appropriations and the provisions of appropriations acts relating thereto, moneys credited to the fund shall be used by the secretary of administration to pay for the auditing of claims made against the state's reimbursing account under the employment security law and to provide for the development, implementation and operation of administrative policies and procedures relating to such claims.

(b) Commencing with the fiscal year ending June 30, 1985, the secretary of administration may charge and collect a claims processing and auditing fee each fiscal year from all covered state agencies at a rate fixed by the secretary which shall not exceed .1% of covered total wages under the employment security law, except that for the fiscal year ending June 30, 1985, such rate shall not exceed .04% of covered total wages. The claims processing and auditing fee shall be collected as part of the amounts collected for the state of Kansas reimbursement payments levied against state agencies pursuant to subsection (e)(2)(G) of K.S.A. 44-710 and amendments thereto and shall be deducted from such amounts and credited to the state agency unemployment claims audit fund.

Sec. 2. K.S.A. 1983 Supp. 44-706 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 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

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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, 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 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 any 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

(continued)

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.

(o) For any week of unemployment on the basis of services performed in any capacity and under any of the circumstances described in subsection (i), (j) or (k) which an individual performed in an educational institution while in the employ of an educational service agency. For the purposes of this subsection, the term "educational service agency" means a governmental agency or entity which is established and operated exclusively for the purpose of providing such services to one or more educational institutions.

Sec. 3. On July 1, 1984, K.S.A. 1983 Supp. 44-710 is hereby amended to read as follows: 44-710. (a) *Payment.* Contributions shall accrue and become payable by each contributing employer for each calendar year in which the contributing employer is subject to the employment security law with respect to wages paid for employment. Such contributions shall become due and be paid by each contributing employer to the secretary for the employment security fund in accordance with such rules and regulations as the secretary may adopt and shall not be deducted, in whole or in part, from the wages of individuals in such employer's employ. In the payment of any contributions, a fractional part of \$.01 shall be disregarded unless it amounts to \$.005 or more, in which case it shall be increased to \$.01. Should contributions for any calendar quarter be less than \$1, no payment shall be required.

(b) *Rates and base of contributions.* (1) Except as provided in paragraph (2) of this subsection, each contributing employer shall pay contributions on wages paid by the contributing employer during each calendar year with respect to employment as provided in K.S.A. 44-710a, and amendments thereto.

(2) (A) If the congress of the United States either amends or repeals the Wagner-Peyser act, the federal unemployment tax act, the federal social security act, or subtitle C of chapter 23 of the internal revenue code of 1954, or any act or acts supplemental to or in lieu thereof, or any part or parts of any such law, or if any such law, or any part or parts thereof, are held invalid with the effect that appropriations of funds by congress and grants thereof to the state of Kansas for the payment of costs of administration of the employment security law are no longer available for such purposes; or (B) if employers in Kansas subject to the payment of tax under the federal unemployment tax act are granted full credit against such tax for contributions or taxes paid to the secretary of human resources, then, and in either such case, beginning with the year in which the unavailability of federal appropriations and grants for such purpose occurs or in which such change in liability for payment of such federal tax occurs and for each year thereafter, the rate of contributions of each contributing employer shall be equal to the total of .5% and the rate of contributions as determined for such contributing employer under K.S.A. 44-710a, and amendments thereto. The amount of contributions which each contributing employer becomes liable to pay under this paragraph (2) over the amount of contributions which such contributing employer would be otherwise liable to pay shall be credited to the employment security administration fund to be disbursed and paid out under the same conditions and for the same purposes as other moneys are authorized to be paid from the employment security administration fund, except that, if the secretary determines that as of the first day of January of any year there is an excess in the employment security administration fund over the amount required to be disbursed during such year, an amount equal to such excess as determined by the secretary shall be transferred to the employment security fund.

(c) *Charging of benefit payments.* (1) The secretary shall maintain a separate account for each contributing employer, and shall credit the contributing employer's account with all the contributions paid on the contributing employer's own behalf. Nothing in the employment security law shall be construed to grant any employer or individuals in such employer's service prior claims or rights to the amounts paid by such employer into the employment security fund either on such employer's own behalf or on behalf of such individuals. Benefits paid shall be charged against the accounts of each base period employer in the proportion that the base period wages paid to an eligible individual by each such employer bears to the total wages in the base period. Benefits shall be charged to contributing and rated governmental employers' accounts upon the basis of benefits paid during each twelve-month period ending on the computation date.

(2) (A) Benefits paid in benefit years established by valid new claims shall not be charged to the account of a contributing or rated governmental base period employer if the examiner finds that claimant was separated from the claimant's most recent

(continued)

employment with such employer under any of the following conditions: (i) Discharged for breach of a duty connected with the claimant's work reasonably owed an employer by an employee; (ii) discharged for gross misconduct connected with the claimant's work; or (iii) leaving work voluntarily without good cause attributable to the claimant's employment.

(B) Where base period wage credits of any employer represent part-time employment and the claimant continues in that part-time employment with that employer during the period for which benefits are paid, then that employer's account shall not be charged with any part of the benefits paid if the employer provides the secretary with information as required by rules and regulations.

(C) No contributing or rated governmental employer's account shall be charged with any extended benefits paid in accordance with the employment security law, except for weeks of unemployment beginning after December 31, 1978, all contributing governmental and governmental rated employers shall be charged an amount equal to all extended benefits paid.

(D) No contributing or rated governmental employer's account shall be charged with any benefits paid on wages made available to pay benefits under the Kansas law, the law of another state, or of the United States under a wage combining plan approved by the United States secretary of labor, if the Kansas portion of such wages are insufficient to entitle the claimant to any benefits under the Kansas law.

(E) No contributing or rated governmental employer's account will be charged for benefits paid a claimant while pursuing an approved training course as defined in subsection (s) of K.S.A. 44-703, and amendments thereto.

(F) No contributing or rated governmental employer's account shall be charged with respect to the benefits paid to any individual whose base period wages include wages for services not covered by the employment security law prior to January 1, 1978, to the extent that the employment security fund is reimbursed for such benefits pursuant to section 121 of public law 94-566 (90 Stat. 2673).

(G) With respect to weeks of unemployment beginning after December 31, 1977, wages for insured work shall include wages paid for previously uncovered services. For the purposes of this subsection (c)(2)(G), the term "previously uncovered services" means services which were not covered employment, at any time during the one-year period ending December 31, 1975, except to the extent that assistance under title II of the emergency jobs and unemployment assistance act of 1974 was paid on the basis of such services, and which:

(i) Are agricultural labor as defined in subsection (w) of K.S.A. 44-703, and amendments thereto, or domestic service as defined in subsection (aa) of K.S.A. 44-703, and amendments thereto, or

(ii) are services performed by an employee of this state or a political subdivision thereof, as provided in subsection (i)(3)(E) of K.S.A. 44-703, and amendments thereto, or

(iii) are services performed by an employee of a nonprofit educational institution which is not an institution of higher education.

(3) The examiner shall notify any base period employer whose account will be charged with benefits paid following the filing of a valid new claim and a determination by the examiner based on all information relating to the claim contained in the records of the division of employment. Such notice shall become final and benefits charged to the base period employer's account in accordance with the claim unless within 16 calendar days from the date the notice was mailed, the base period employer requests in writing that the examiner reconsider the determination and furnishes any required information in accordance with the secretary's rules and regulations. In a similar manner, a notice of an additional claim followed by the first payment of benefits with respect to the benefit year, filed by an individual during a benefit year after a period in such year during which such individual was employed, shall be given to any base period employer of the individual who has requested such a notice within 16 calendar days from the date the notice of the valid new claim was mailed to such base period employer. The examiner

shall notify the employer of the reconsidered determination which shall be subject to appeal, or further reconsideration, in accordance with the provisions of K.S.A. 44-709, and amendments thereto.

(d) *Pooled fund.* All contributions and payments in lieu of contributions and benefit cost payments to the employment security fund shall be pooled and available to pay benefits to any individual entitled thereto under the employment security law, regardless of the source of such contributions or payments in lieu of contributions or benefit cost payments.

(e) *Election to become reimbursing employer; payment in lieu of contributions.* (1) Any governmental entity for which services are performed as described in subsection (i)(3)(E) of K.S.A. 44-703, and amendments thereto, or any nonprofit organization or group of nonprofit organizations which, pursuant to subsection (h)(9) of K.S.A. 44-703, and amendments thereto, is or becomes subject to the employment security law after December 31, 1971, or any nonprofit organization described in section 501(c)(3) of the internal revenue code of 1954 which is exempt from income tax under section 501(a) of such code, that becomes subject to the employment security law through election under subsection (c) of K.S.A. 44-711, and amendments thereto, may elect to become a reimbursing employer under this subsection (e)(1) and agree to pay the secretary for the employment security fund an amount equal to the amount of regular benefits and 1/2 of the extended benefits paid that are attributable to service in the employ of such reimbursing employer, except that each reimbursing governmental employer shall pay an amount equal to the amount of regular benefits and extended benefits paid for weeks of unemployment beginning after December 31, 1978, to individuals for weeks of unemployment which begin during the effective period of such election.

(A) Any employer identified in this subsection (e)(1) may elect to become a reimbursing employer for a period encompassing not less than four complete calendar years if such employer files with the secretary a written notice of such election within the thirty-day period immediately following January 1 of any calendar year or within the thirty-day period immediately following the date on which a determination of subjectivity to the employment security law is issued, whichever occurs later.

(B) Any employer which makes an election to become a reimbursing employer in accordance with subparagraph (A) of this subsection (e)(1) will continue to be liable for payments in lieu of contributions until such employer files with the secretary a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which such termination shall first be effective.

(C) Any employer identified in this subsection (e)(1) which has remained a contributing employer and has been paying contributions under the employment security law for a period subsequent to January 1, 1972, may change to a reimbursing employer by filing with the secretary not later than 30 days prior to the beginning of any calendar year a written notice of election to become a reimbursing employer. Such election shall not be terminable by the employer for four complete calendar years.

(D) The secretary may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive but not any earlier than with respect to benefits paid after December 31, 1971.

(E) The secretary, in accordance with such rules and regulations as the secretary may adopt, shall notify each employer identified in subsection (e)(1) of any determination which the secretary may make of its status as an employer and of the effective date of any election which it makes to become a reimbursing employer and of any termination of such election. Such determinations shall be subject to reconsideration, appeal and review in accordance with the provisions of K.S.A. 44-710b, and amendments thereto.

(2) *Reimbursement reports and payments.* Payments in lieu of contributions shall be made in accordance with the provisions of subparagraph (A) of this subsection (e)(2) by all reimbursing employers except the state of Kansas. Each reimbursing em-

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ployer shall file quarterly wage reports with the secretary which shall become due on or before the 25th day of the first month following the last month of the calendar quarter or in accordance with such rules and regulations as the secretary may adopt.

(A) At the end of each calendar quarter, or at the end of any other period as determined by the secretary, the secretary shall bill each reimbursing employer, except the state of Kansas, (i) an amount to be paid which is equal to the full amount of regular benefits plus $\frac{1}{2}$ of the amount of extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such reimbursing employer; and (ii) for weeks of unemployment beginning after December 31, 1978, each reimbursing governmental employer shall be certified an amount to be paid which is equal to the full amount of regular benefits and extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such reimbursing governmental employer.

(B) Payment of any bill rendered under subparagraph (A) of this subsection (e)(2) shall be made not later than 30 days after such bill was mailed to the last-known address of the reimbursing employer, or otherwise was delivered to such reimbursing employer, unless there has been an application for review and redetermination in accordance with subparagraph (D) of this subsection (e)(2).

(C) Payments made by any reimbursing employer under the provisions of this subsection (e)(2) shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of such employer.

(D) The amount due specified in any bill from the secretary shall be conclusive on the reimbursing employer, unless, not later than 15 days after the bill was mailed to the last-known address of such employer, or was otherwise delivered to such employer, the reimbursing employer files an application for redetermination in accordance with K.S.A. 44-710b, and amendments thereto.

(E) Past due payments of amounts certified by the secretary under this section shall be subject to the same interest, penalties and actions required by K.S.A. 44-717, and amendments thereto. If any reimbursing employer is delinquent in making payments of amounts certified by the secretary under this section, the secretary may terminate such employer's election to make payments in lieu of contributions as of the beginning of the next calendar year, and such termination shall be effective for the current and next calendar years.

(F) In the discretion of the secretary, any employer who elects to become liable for payments in lieu of contributions shall be required within 60 days after the effective date of such election to execute and file with the secretary a surety bond, except that the eligible employer may elect, in lieu of a surety bond, to deposit with the secretary money or securities as approved by the secretary. The amount of the bond or deposit required by this subsection shall not exceed 3.6% of the organization's taxable wages paid for employment by the eligible employer during the four calendar quarters immediately preceding the effective date of the election. If the eligible employer did not pay wages in each of such four calendar quarters, the amount of the bond or deposit shall be as determined by the secretary. Upon the failure of an eligible employer to comply with this subsection (e)(2)(F) within the time limits imposed, the secretary may terminate the election of such eligible employer to make payments in lieu of contributions, and such termination shall be effective for the current and next calendar year.

(G) The state of Kansas shall make reimbursement payments quarterly at a fiscal year rate which shall be based upon: (i) The available balance in the state's reimbursing account as of December 31 of each calendar year; (ii) the historical unemployment experience of all covered state agencies during prior years; (iii) the estimate of total covered wages to be paid during the ensuing calendar year; (iv) the applicable fiscal year rate of the claims processing and auditing fee under section 1; and (v) actuarial and other information furnished to the secretary by the secretary of administration. In accordance with section 1, the claims processing and auditing fees charged to state agencies shall be deducted from the amounts collected for the reim-

bursement payments under this paragraph (G) prior to making the quarterly reimbursement payments for the state of Kansas. The fiscal year rate shall be expressed as a percentage of covered total wages and shall be the same for all covered state agencies. The fiscal year rate for each fiscal year will be certified in writing by the secretary to the secretary of administration on July 15 of each year and such certified rate shall become effective on the July 1 immediately following the date of certification. A detailed listing of benefit charges applicable to the state's reimbursing account shall be furnished quarterly by the secretary to the secretary of administration and the total amount of charges deducted from previous reimbursing payments made by the state. On January 1 of each year, if it is determined that benefit charges exceed the amount of prior reimbursing payments, an upward adjustment shall be made therefor in the fiscal year rate which will be certified on the ensuing July 15. If total payments exceed benefit charges, all or part of the excess may be refunded, at the discretion of the secretary, from the fund or retained in the fund as part of the payments which may be required for the next fiscal year.

(3) Allocation of benefit costs. The reimbursing account of each reimbursing employer shall be charged the full amount of regular benefits and $\frac{1}{2}$ of the amount of extended benefits paid except that each reimbursing governmental employer's account shall be charged the full amount of regular benefits and extended benefits paid for weeks of unemployment beginning after December 31, 1978, to individuals whose entire base period wage credits are from such employer. When benefits received by an individual are based upon base period wage credits from more than one employer then the reimbursing employer's or reimbursing governmental employer's account shall be charged in the same ratio as base period wage credits from such employer bear to the individual's total base period wage credits. Notwithstanding any other provision of the employment security law, no reimbursing employer's or reimbursing governmental employer's account shall be charged for payments of extended benefits which are wholly reimbursed to the state by the federal government.

(A) Proportionate allocation (when fewer than all reimbursing base period employers are liable). If benefits paid to an individual are based on wages paid by one or more reimbursing employers and on wages paid by one or more contributing or rated governmental employers, the amount of benefits payable by each reimbursing employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bears to the total base period wages paid to the individual by all of such individual's base period employers.

(B) Proportionate allocation (when all base period employers are reimbursing employers). If benefits paid to an individual are based on wages paid by two or more reimbursing employers, the amount of benefits payable by each such employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bear to the total base period wages paid to the individual by all of such individual's base period employers.

(C) Nonliability for certain benefits. Any employer which elects to make payments in lieu of contributions as provided in this subsection (e) shall not be liable to make such payments with respect to the benefits paid to any individual whose base period wages include wages for services not covered by the employment security law prior to January 1, 1978, to the extent that the employment security fund is reimbursed for such benefits pursuant to section 121 of public law 94-566 (90 Stat. 2673).

(4) Group accounts. Two or more reimbursing employers may file a joint application to the secretary for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employment of such reimbursing employers. Each such application shall identify and authorize a group representative to act as the group's agent for the purposes of this subsection (e)(4). Upon approval of the application, the secretary shall establish a group account for such

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employers effective as of the beginning of the calendar quarter in which the secretary receives the application and shall notify the group's representative of the effective date of the account. Such account shall remain in effect for not less than four years and thereafter such account shall remain in effect until terminated at the discretion of the secretary or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in such quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by such member in such quarter bear to the total wages paid during such quarter for service performed in the employ of all members of the group. The secretary shall adopt such rules and regulations as the secretary deems necessary with respect to applications for establishment, maintenance and termination of group accounts that are authorized by this subsection (e)(4), for addition of new members to, and withdrawal of active members from such accounts, and for the determination of the amounts that are payable under this subsection (e)(4) by members of the group and the time and manner of such payments.

Sec. 4. K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 Senate Bill No. 890, is hereby amended to read as follows: 44-703. As used in this act, unless the context clearly requires otherwise: (a) (1) "Annual payroll" means the total amount of wages paid or payable by an employer during the calendar year.

(2) "Average annual payroll" means the average of the annual payrolls of any employer for the last three calendar years immediately preceding the computation date as hereinafter defined if the employer has been continuously subject to contributions during those three calendar years and has paid some wages for employment during each of such years. In determining contribution rates for the calendar year, if an employer has not been continuously subject to contribution for the three calendar years immediately preceding the computation date but has paid wages subject to contributions during only the two calendar years immediately preceding the computation date, such employer's "average annual payroll" shall be the average of the payrolls for those two calendar years.

(b) "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, except that the base period in respect to combined wage claims means the base period as defined in the law of the paying state.

(c) (1) "Benefits" means the money payments payable to an individual, as provided in this act, with respect to such individual's unemployment.

(2) "Regular benefits" means benefits payable to an individual under this act or under any other state law, including benefits payable to federal civilian employees and to exservicemen pursuant to 5 U.S.C. chapter 85, other than extended benefits.

(d) "Benefit year" with respect to any individual, means the period beginning with the first day of the first week for which such individual files a valid claim for benefits, and such benefit year shall continue for one full year. In the case of a combined wage claim, the benefit year shall be the benefit year of the paying state. Following the termination of a benefit year, a subsequent benefit year shall commence on the first day of the first week with respect to which an individual next files a claim for benefits. When such filing occurs with respect to a week which overlaps the preceding benefit year, the subsequent benefit year shall commence on the first day immediately following the expiration date of the preceding benefit year. Any claim for benefits made in accordance with subsection (a) of K.S.A. 44-709 and amendments thereto shall be deemed to be a "valid claim" for the purposes of this subsection if the individual has been paid wages for insured work as required under subsection (e) of K.S.A. 44-705 and amendments thereto. Whenever a week of unemployment overlaps two benefit years, such week shall, for the purpose of granting waiting-period credit or benefit payment with respect thereto, be deemed to be a week of unemployment within that benefit year in which the greater part of such week occurs.

(e) "Commissioner" or "secretary" means the secretary of human resources.

(f) (1) "Contributions" means the money payments to the state employment security fund which are required to be made by employers on account of employment under K.S.A. 44-710 and amendments thereto, and voluntary payments made by employers pursuant to such statute.

(2) "Payments in lieu of contributions" means the money payments to the state employment security fund from employers which are required to make or which elect to make such payments under subsection (e) of K.S.A. 44-710 and amendments thereto.

(g) "Employing unit" means any individual or type of organization, including any partnership, association, agency or department of the state of Kansas and political subdivisions thereof, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign including nonprofit corporations, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representatives of a deceased person, which has in its employ one or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this act. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the employment.

(h) "Employer" means:

(1) (A) Any employing unit for which agricultural labor as defined in subsection (w) of this section is performed and which during any calendar quarter in either the current or preceding calendar year paid remuneration in cash of \$20,000 or more to individuals employed in agricultural labor or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment of time.

(B) For the purpose of this subsection (h)(1), any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other person shall be treated as an employee of such crew leader if:

(i) Such crew leader holds a valid certificate of registration under the farm labor contractor registration act of 1963 or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or cropdusting equipment or any other mechanized equipment, which is provided by such crew leader; and

(ii) such individual is not in the employment of such other person within the meaning of subsection (i) of this section.

(C) For the purpose of this subsection (h)(1), in the case of any individual who is furnished by a crew leader to perform service in agricultural labor for any other person and who is not treated as an employee of such crew leader:

(i) Such other person and not the crew leader shall be treated as the employer of such individual; and

(ii) such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader, either on the crew leader's own behalf or on behalf of such other person, for the service in agricultural labor performed for such other person.

(D) For the purposes of this subsection (h)(1) "crew leader" means an individual who:

(i) Furnishes individuals to perform service in agricultural labor for any other person;

(ii) pays, either on such individual's own behalf or on behalf of such other person, the individuals so furnished by such individual's for the service in agricultural labor performed by them; and

(continued)

(iii) has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.

(2) (A) Any employing unit which: (i) In any calendar quarter in either the current or preceding calendar year paid for service in employment wages of \$1,500 or more, or (ii) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or preceding calendar year, had in employment at least one individual, whether or not the same individual was in employment in each such day.

(B) Employment of individuals to perform domestic service or agricultural labor and wages paid for such service or labor shall not be considered in determining whether an employing unit meets the criteria of this subsection (h)(2).

(3) Any employing unit for which service in employment as defined in subsection (i)(3)(E) of this section.

(4) Any employing unit, whether or not it is an employing unit under subsection (g) of this section, which acquires or in any manner succeeds to (A) substantially all of the employing enterprises, organization, trade or business, or (B) substantially all the assets, of another employing unit which at the time of such acquisition was an employer subject to this act.

(5) Any employing unit which paid cash remuneration of \$1,000 or more in any calendar quarter in the current or preceding calendar year to individuals employed in domestic service as defined in subsection (aa) of this section.

(6) Any employing unit which having become an employer under this subsection (h) has not, under subsection (b) of K.S.A. 44-711 and amendments thereto, ceased to be an employer subject to this act.

(7) Any employing unit which has elected to become fully subject to this act in accordance with subsection (c) of K.S.A. 44-711 and amendments thereto.

(8) Any employing unit not an employer by reason of any other paragraph of this subsection (h), for which within either the current or preceding calendar year services in employment are or were performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund; or which, as a condition for approval of this act for full tax credit against the tax imposed by the federal unemployment tax act, is required, pursuant to such act, to be an "employer" under this act.

(9) Any employing unit described in section 501(c)(3) of the federal internal revenue code of 1954 which is exempt from income tax under section 501(a) of the code that had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(i) "Employment" means:

(1) Subject to the other provisions of this subsection, service, including service in interstate commerce, performed by

(A) Any active officer of a corporation; or

(B) any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

(C) any individual other than an individual who is an employee under subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services for remuneration for any person:

(i) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for such individual's principal; or

(ii) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, a principal (except for side-line sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

For purposes of subsection (i)(1)(C), the term "employment"

shall include services described in paragraphs (i) and (ii) above only if:

(a) The contract of service contemplates that substantially all of the services are to be performed personally by such individual;

(b) the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation); and

(c) the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service within the United States, even though performed entirely outside this state if,

(A) The service is not localized in any state, and

(B) the individual is one of a class of employees who are required to travel outside this state in performance of their duties, and

(C) the individual's base of operations is in this state, or if there is no base of operations, then the place from which service is directed or controlled is in this state.

(3) The term "employment" shall also include:

(A) Services performed within this state but not covered by the provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be employment subject to this act if contributions are not required and paid with respect to such services under an unemployment compensation law of any other state or of the federal government.

(B) Services performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the federal government, shall be deemed to be employment subject to this act only if the individual performing such services is a resident of this state and the secretary approved the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this act.

(C) Services covered by an arrangement pursuant to subsection (l) of K.S.A. 44-714 and amendments thereto between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law, pursuant to which all services performed by an individual for an employing unit are deemed to be performed entirely within this state, shall be deemed to be employment if the secretary has approved an election of the employing unit for whom such services are performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be insured work.

(D) Services performed by an individual for wages or under any contract of hire shall be deemed to be employment subject to this act unless and until it is shown to the satisfaction of the secretary that: (i) Such individual has been and will continue to be free from control or direction over the performance of such services, both under the individual's contract of hire and in fact; and (ii) such service is either outside the usual course of the business for which such service is performed or that such service is performed outside of all the places of business of the enterprise for which such service is performed.

(E) Service performed by an individual in the employ of this state or any instrumentality thereof, any political subdivision of this state or any instrumentality thereof, any instrumentality of more than one of the foregoing or any instrumentality which is jointly owned by this state or a political subdivision thereof and one or more other states or political subdivisions of this or other states, provided that such service is excluded from "employment" as defined in the federal unemployment tax act by reason of section 3306(c)(7) of that act and is not excluded from "employment" under subsection (i)(4)(A) of this section.

(F) Service performed by an individual in the employ of a religious, charitable, educational or other organization which is excluded from the term "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c)(8) of that act, and is not excluded from employment under paragraphs (I) through (M) of subsection (i)(4).

(G) The term "employment" shall include the service of an

(continued)

individual who is a citizen of the United States, performed outside the United States (except in Canada or, prior to and including December 31 of the year in which the U.S. secretary of labor approves an unemployment compensation law submitted by the Virgin Islands), in the employ of an American employer (other than service which is deemed "employment" under the provisions of subsection (i)(2) or subsection (i)(3) or the parallel provisions of another state's law), if:

(i) The employer's principal place of business in the United States is located in this state; or

(ii) the employer has no place of business in the United States, but

(A) The employer is an individual who is a resident of this state; or

(B) the employer is a corporation which is organized under the laws of this state; or

(C) the employer is a partnership or a trust and the number of the partners or trustees who are residents of this state is greater than the number who are residents of any other state; or

(iii) None of the criteria of paragraphs (i) and (ii) above of this subsection (i)(3)(G) are met but the employer has elected coverage in this state or, the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(H) An "American employer," for purposes of subsection (i)(3)(G), means a person who is:

(i) An individual who is a resident of the United States; or

(ii) a partnership if $\frac{2}{3}$ or more of the partners are residents of the United States; or

(iii) a trust, if all of the trustees are residents of the United States; or

(iv) a corporation organized under the laws of the United States or of any state.

(I) Notwithstanding subsection (i)(2) of this section, all service performed by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office, from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(J) Notwithstanding any other provisions of this subsection (i), service with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this act.

(K) Domestic service in a private home, local college club or local chapter of a college fraternity or sorority performed for a person who paid cash remuneration of \$1,000 or more in any calendar quarter, in the current calendar year or the preceding calendar year to individuals employed in such domestic service.

(4) The term "employment" shall not include: (A) Service performed in the employ of an employer specified in subsection (h)(3) of this section if such service is performed by an individual in the exercise of duties:

(i) As an elected official;

(ii) as a member of a legislative body, or a member of the judiciary, of a state or political subdivision;

(iii) as a member of the state national guard or air national guard;

(iv) as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;

(v) in a position which, under or pursuant to the laws of this state, is designated as a major nontenured policymaking or advisory position or as a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week;

(B) service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(C) service performed by an individual in the employ of such individual's son, daughter or spouse, and service performed by a child under the age of 18 21 years in the employ of such individual's father or mother;

(D) service performed in the employ of the United States government or an instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by this act, except that to the extent that the congress of the United States shall permit states to require any instrumentality of the United States to make payments into an

unemployment fund under a state unemployment compensation law, all of the provisions of this act shall be applicable to such instrumentalities, and to services performed for such instrumentalities, in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services. If this state shall not be certified for any year by the federal security agency under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the secretary from the fund in the same manner and within the same period as is provided in subsection (f) of K.S.A. 44-717 and amendments thereto with respect to contributions erroneously collected;

(E) service covered by an arrangement between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within the jurisdiction of such other state or federal agency;

(F) service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(G) service performed by an individual for an employing unit as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such employing unit is performed for remuneration solely by way of commission;

(H) service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) of the federal internal revenue code (other than an organization described in section 401(a) or under section 521 of such code) if the remuneration for such service is less than \$50. In construing the application of the term "employment," if services performed during $\frac{1}{2}$ or more of any pay period by an individual for the person employing such individual constitute employment, all the services of such individual for such period shall be deemed to be employment; but if the services performed during more than $\frac{1}{2}$ of any such pay period by an individual for the person employing such individual do not constitute employment, then none of the services of such individual for such period shall be deemed to be employment. As used in this subsection (i)(4)(H) the term "pay period" means a period (of not more than 31 consecutive days) for which a payment of remuneration is ordinarily made to the individual by the person employing such individual. This subsection (i)(4)(H) shall not be applicable with respect to services with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(I) services performed in the employ of a church or convention or association of churches, or an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(J) service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of such individual's ministry or by a member of a religious order in the exercise of duties required by such order;

(K) service performed in a facility conducted for the purpose of carrying out a program of:

(i) Rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or

(ii) providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work;

(L) service performed as part of an employment work-relief or work-training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training;

(M) service performed by an inmate of a custodial or correctional institution, unless such service is performed for a private, for-profit employer;

(N) service performed, in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college or university;

(O) service performed by an individual who is enrolled at a nonprofit or public educational institution which normally

(continued)

maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subsection (i)(4)(O) shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(P) service performed in the employ of a hospital licensed, certified or approved by the secretary of health and environment, if such service is performed by a patient of the hospital;

(Q) *services performed as a qualified real estate agent. As used in this subsection (i)(4)(Q) the term "qualified real estate agent" means any individual who is licensed by the Kansas real estate commission as a salesperson under the real estate brokers' and salespersons' license act and for whom:*

(i) *Substantially all of the remuneration, whether or not paid in cash, for the services performed by such individual as a real estate salesperson is directly related to sales or other output, including the performance of services, rather than to the number of hours worked; and*

(ii) *the services performed by the individual are performed pursuant to a written contract between such individual and the person for whom the services are performed and such contract provides that the individual will not be treated as an employee with respect to such services for state tax purposes.*

(j) "Employment office" means any office operated by this state and maintained by the secretary of human resources for the purpose of assisting persons to become employed.

(k) "Fund" means the employment security fund established by this act, to which all contributions and reimbursement payments required and from which all benefits provided under this act shall be paid and including all money received from the federal government as reimbursements pursuant to section 204 of the federal-state extended compensation act of 1970, and amendments thereto.

(l) "State" includes, in addition to the states of the United States of America, any dependency of the United States, the Commonwealth of Puerto Rico, the District of Columbia and the Virgin Islands.

(m) "Unemployment" An individual shall be deemed "unemployed" with respect to any week during which such individual performs no services and with respect to which no wages are payable to such individual, or with respect to any week of less than full-time work if the wages payable to such individual with respect to such week are less than such individual's weekly benefit amount.

(n) "Employment security administration fund" means the fund established by this act, from which administrative expenses under this act shall be paid.

(o) "Wages" means all compensation for services, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, except for the value of meals furnished an employee on the employer's premises for the convenience of the employer. The reasonable cash value of remuneration in any medium other than cash, shall be estimated and determined in accordance with rules and regulations prescribed by the secretary. The term "wages" shall not include:

(1) That part of the remuneration which has been paid in a calendar year to an individual by an employer or such employer's predecessor in excess of \$3,000 for all calendar years prior to 1972, \$4,200 for the calendar years 1972 to 1977, inclusive, \$6,000 for calendar years 1978 to 1982, inclusive, \$7,000 for the calendar year 1983, and \$8,000 with respect to employment during any calendar year following 1983, except that if the definition of the term "wages" as contained in the federal unemployment tax act is amended to include remuneration in excess of \$8,000 paid to an individual by an employer under the federal act during any calendar year, wages shall include remuneration paid in a calendar year to an individual by an employer subject to this act or such employer's predecessor with respect to employment during any calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this subsection (o)(1), the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(2) the amount of any payment to, or on behalf of, an individual in its employ under a plan or system established by an employing unit which makes provisions for individuals in its employ generally or for a class or classes of such individuals

(including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment) on account of (A) retirement, or (B) sickness or accident disability, or (C) medical and hospitalization expenses in connection with sickness or accident disability, or (D) death. If the individual in its employ: (i) Has not the option to receive, instead of provisions for such death benefit any part of such payment or, if such death benefit is insured, any part of the premiums (or contributions to premiums) paid by such individual's employing unit; and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive cash consideration in lieu of such benefit either upon such individual's withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of such individual's services with such employment unit;

(3) the payment by an employing unit (without deduction from the remuneration of the employee) of the tax imposed upon an employee under section 3101 of the internal revenue code with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor. This paragraph (3) of subsection (o) will apply to all remuneration paid after December 31, 1980, except that this paragraph (3) of subsection (o) shall not apply to any payment made before January 1, 1984, by any governmental unit for positions of a kind for which all or a substantial portion of the social security employee taxes were paid by such governmental unit (without deduction from the remuneration of the employee) under the practices of such governmental unit in effect on October 1, 1980;

(4) notwithstanding the foregoing provisions of this subsection (o), "total wages" mean the gross amount paid by an employer to such employer's employees with respect to a week, month, year or other period as required by subsection (e)(2) of K.S.A. 44-710, and amendments thereto.

(p) "Week" means such period or periods of seven consecutive calendar days, as the secretary may by rules and regulations prescribe.

(q) "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September 30 or December 31, or the equivalent thereof as the secretary may by rules and regulations prescribe.

(r) "Insured work" means employment for employers.

(s) "Approved training" means any vocational training course or course in basic education skills approved by the secretary or a person or persons designated by the secretary.

(t) "American vessel" or "American aircraft" means any vessel or aircraft documented or numbered or otherwise registered under the laws of the United States; and any vessel or aircraft which is neither documented or numbered or otherwise registered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any state.

(u) "Institution of higher education," for the purposes of this section, means an educational institution which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized in this state to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of postgraduate or postdoctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(4) is a public or other nonprofit institution.

Notwithstanding any of the foregoing provisions of this subsection (u), all colleges and universities in this state are institutions of higher education for purposes of this section, except that no college, university, junior college or other postsecondary school or institution which is operated by the federal government or any agency thereof shall be an institution of higher education for purposes of the employment security law.

(v) "Educational institution" means any institution of higher education, as defined in subsection (u) of this section, or any institution, except private for profit institutions, in which participants, trainees or students are offered an organized course of study or training designed to transfer to them knowledge, skills,

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information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher and which is approved, licensed or issued a permit to operate as a school by the state department of education or other government agency that is authorized within the state to approve, license or issue a permit for the operation of a school. The courses of study or training which an educational institution offers may be academic, technical, trade or preparation for gainful employment in a recognized occupation.

(w) (1) "Agricultural labor" means any remunerated service:

(A) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife.

(B) In the employ of the owner or tenant or other operator of a farm, in connection with the operating, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(C) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section (15)(g) of the agricultural marketing act, as amended (46 Stat. 1500, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes.

(D) (i) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than 1/2 of the commodity with respect to which such service is performed;

(ii) in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in paragraph (i) above of this subsection (w)(1)(D), but only if such operators produced more than 1/2 of the commodity with respect to which such service is performed;

(iii) the provisions of paragraphs (i) and (ii) above of this subsection (w)(1)(D) shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(E) On a farm operated for profit if such service is not in the course of the employer's trade or business.

(2) "Agricultural labor" does not include service performed prior to January 1, 1980, by an individual who is an alien admitted to the United States to perform service in agricultural labor pursuant to sections 214(c) and 101(a)(15)(H) of the immigration and nationality act.

(3) As used in this subsection (w), the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(x) "Reimbursing employer" means any employer who makes payments in lieu of contributions to the employment security fund as provided in subsection (e) of K.S.A. 44-710 and amendments thereto.

(y) "Contributing employer" means any employer other than a reimbursing employer or rated governmental employer.

(z) "Wage combining plan" means a uniform national arrangement approved by the United States secretary of labor in consultation with the state unemployment compensation agencies and in which this state shall participate, whereby wages earned in one or more states are transferred to another state, called the "paying state," and combined with wages in the paying state, if any, for the payment of benefits under the laws of the paying state and as provided by an arrangement so approved by the United States secretary of labor.

(aa) "Domestic service" means any service for a person in the operation and maintenance of a private household, local college club or local chapter of a college fraternity or sorority, as distinguished from service as an employee in the pursuit of an employer's trade, occupation, profession, enterprise or vocation.

(bb) "Rated governmental employer" means any governmental entity which elects to make payments as provided by K.S.A. 44-710d and amendments thereto.

(cc) "Benefit cost payments" means payments made to the employment security fund by a governmental entity electing to become a rated governmental employer.

(dd) "Successor employer" means any employer, as described in subsection (h) of this section, which acquires or in any manner succeeds to (1) substantially all of the employing enterprises, organization, trade or business of another employer or (2) substantially all the assets of another employer.

(ee) "Predecessor employer" means an employer, as described in subsection (h) of this section, who has previously operated a business or portion of a business with employment to which another employer has succeeded.

Sec. 5. K.S.A. 1983 Supp. 44-703, as amended by section 1 of 1984 Senate Bill No. 890, is hereby repealed.

Sec. 6. K.S.A. 1983 Supp. 44-710a, as amended by section 3 of 1984 House Bill No. 2629, 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 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 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

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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 such employer establishes a new period of 24 consecutive calendar months immediately preceding the computation date throughout which benefits could have been charged against such employer's account by resuming the payment of wages. 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," except, with regard to a year in which the taxable wage base changes. The taxable wages used in the calculation for such a year and the following year shall be an estimate of what the taxable wages would have been if the new taxable wage base had been in effect during the entire twelve-month period prior to the computation date. 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	.20
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 III of this section, and the planned yield on total wages in column B of schedule III shall be determined by the reserve fund ratio in column A of schedule 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 and amendments thereto, 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 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, except, with regard to a year in which the taxable wage base changes. The taxable wages used in the calculation for such a year and the following year shall be an estimate of what the taxable wages would have been if the new taxable wage base had been in effect during all of 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 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.

(continued)

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 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 two rate groups as pro-

vided 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.

Sec. 7. K.S.A. 1983 Supp. 44-706 and K.S.A. 1983 Supp. 44-710a, as amended by section 3, of 1984 House Bill No. 2629, are hereby repealed.

Sec. 8. On July 1, 1984, K.S.A. 1983 Supp. 44-710 is hereby repealed.

Sec. 9. 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 21, 1984.

Senate adopted Conference Committee report April 29, 1984.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 26, 1984.

House adopted Conference Committee report April 28, 1984.

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

APPROVED May 11, 1984.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

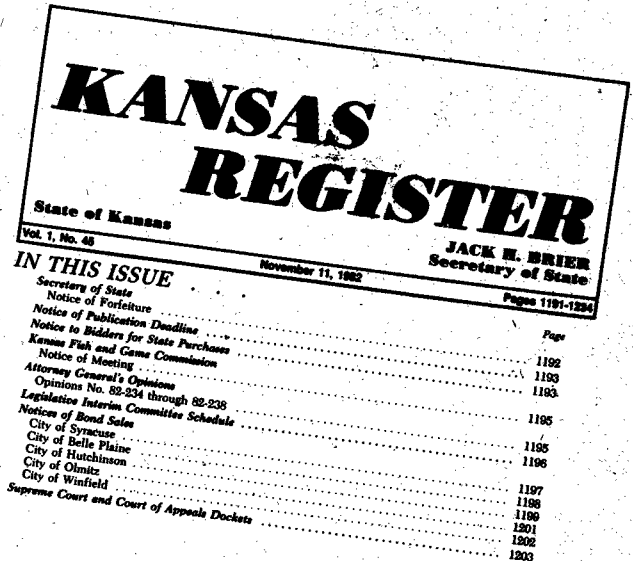
I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 17th day of May, 1984.

(SEAL) JACK H. BRIER
Secretary of State.

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