

KANSAS REGISTER

State of Kansas

BILL GRAVES
Secretary of State

Vol. 6, No. 20

May 14, 1987

Pages 819-858

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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, 2nd Floor, Judicial Center
301 W. 10th, Topeka, Kansas
Before Abbott, C.J.; Herb Rohleder, District Judge, assigned;
and Charles J. Sell, District Judge, assigned.

Tuesday, May 19, 1987
9:00 a.m.

Case No.	Case Name	Attorney	County
59,705	State of Kansas, Appellee,	Geary N. Gorup, Assistant District Attorney General	Sedgwick
	v. Allen Boydston, Appellant.	Benjamin C. Wood Steven R. Zinn	
59,905	State of Kansas, Appellee,	Geary N. Gorup, Assistant District Attorney General	Sedgwick
	v. James Callahan, Jr., Appellant.	Benjamin C. Wood Steven R. Zinn	
59,824	State of Kansas, Appellee,	Geary N. Gorup, Assistant District Attorney General	Sedgwick
	v. Reginald L. Logan, aka Reginald E. Logan, Appellant.	Benjamin C. Wood Steven R. Zinn	
10:45 a.m.			
59,800	State of Kansas, Appellee,	Sally D. Pokorny, County Attorney General	Montgomery
	v. Gina Rose, aka Gina Fulton, aka Gina K. Fullerton; and Sara Ginsberg, aka Nancy Jo Cain, aka Nancy Jo Merella, Appellants.	Benjamin C. Wood	

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PUBLISHED BY
BILL GRAVES
Secretary of State
2nd Floor, State Capitol
Topeka, KS 66612-1594



Phone: (913) 296-3489

59,801	State of Kansas, Appellee, v. David C. Smith, Appellant.	Geary Gorup, Assistant District Attorney Attorney General Benjamin C. Wood	Sedgwick
1:30 p.m.			
60,101	George W. Cottingham, Appellant, v. State of Kansas, Appellee.	Benjamin C. Wood Geary Gorup, Assistant District Attorney Attorney General	Sedgwick
(59,911) (59,912)	State of Kansas, Appellee, v. Latisa Micheaux, Appellant.	Debra Barnett and Geary Gorup, Assistant District Attorneys Attorney General Benjamin C. Wood Brad L. Keil	Sedgwick
59,385	State of Kansas, Appellee, v. Lorraine Reichenberger, Appellant.	Geary Gorup, Assistant District Attorney Attorney General Charles A. O'Hara	Segwick

Wednesday, May 20, 1987
9:00 a.m.

Case No.	Case Name	Attorney	County
59,621	State of Kansas, Appellee, v. Timothy David Walker, Appellant.	Robin A. Lewis, Assistant District Attorney Attorney General Steven R. Zieber	Johnson
60,123	State of Kansas, Appellee, v. Daryl S. Goodnow, Appellant.	Michael Ireland, County Attorney Attorney General Donald R. Hoffman	Jackson
60,108	Brian Resley, Appellee, v. Pioneer Drilling Co., and U.S.F. & G., Appellees, and Workers' Compensation Fund, Appellant.	John C. Peterson Gary A. Winfrey Jeffrey E. King	Rooks
10:45 a.m.			
60,251	City of Dodge City, Appellee, v. Raymond E. Smith, Appellant.	Douglas B. Myers Leslie A. Phelps Barry K. Gunderson	Ford
59,940	State of Kansas, Appellee, v. Errol Merkel, Appellant.	Glenn R. Braun Willis K. Musick, County Attorney Attorney General Michael S. Holland	Ellis

(continued)

Kansas Court of Appeals
 Supreme Courtroom, 3rd Floor, Judicial Center
 301 W. 10th, Topeka, Kansas
 Before Meyer, P.J.; Brazil and Davis, JJ.

Tuesday, May 19, 1987
 9:00 a.m.

Case No.	Case Name	Attorney	County
59,856	State of Kansas, Appellee, v. Stanley E. Larson, Appellant.	Art Weiss, Assistant District Attorney Attorney General Jonathan Phelps James G. Keller	Shawnee
59,746 S.C.	James Salvatore Lowe, Appellant, v. State of Kansas, Appellee.	James F. Vano Bruce Beye, Assistant District Attorney Attorney General	Johnson
59,586	State of Kansas, Appellee, v. William Eugene Striplin, Appellant.	Bruce Beye, Assistant District Attorney Attorney General Thomas Brooks	Johnson
10:45 a.m.			
60,011	State of Kansas, Appellee, v. Victor J. Swearingen, Appellant.	Bruce Beye, Assistant District Attorney Attorney General Michael Lerner	Johnson
59,650	State of Kansas, Appellee, v. Paul A. Scobee, Appellant.	Herman A. Loepp, County Attorney Attorney General Steven B. Doering	Anderson
59,741	State of Kansas, Appellant, v. Charles Doeden, Appellee.	Deborah Wilkinson, County Attorney Attorney General Dennis Keenan	Barton
1:30 p.m.			
59,970 S.C.	Robert L. Kendrix, Appellant, v. State of Kansas, Appellee.	Benjamin C. Wood Steven R. Zinn Paul Theroff, Assistant District Attorney Attorney General	Wyandotte
59,456	State of Kansas, Appellee, v. Obell Vanover, Appellant.	David Debenham, Assistant District Attorney Attorney General Benjamin C. Wood Steven R. Zinn	Shawnee

59,763 S.C.	State of Kansas, Appellee, v. David T. Parker, Appellant.	Wendell Barker, County Attorney Attorney General Benjamin C. Wood Steven R. Zinn	Franklin
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3:00 p.m.

59,620	Deborah B. Newman, Appellee, v. IPB, Inc., Appellant.	Eric Kjorlie Gary M. Korte	Lyon
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Wednesday, May 20, 1987

9:00 a.m.

Case No.	Case Name	Attorney	County
59,503	State of Kansas, Appellee, v. Ruth Bryan, Appellant.	Eric Rosen, Assistant District Attorney Attorney General Benjamin C. Wood Melissa Sheridan	Shawnee
59,934	State of Kansas, Appellee, v. Marvin W. Johnson, Appellant.	Kyle Smith, Assistant County Attorney Attorney General Melissa Sheridan	Lyon

10:45 a.m.

59,716	State of Kansas, Appellee, v. Eldon R. Robbins, Appellant.	William Navis, County Attorney Attorney General Benjamin C. Wood Melissa Sheridan	Republic
59,810	State of Kansas, Appellee, v. Augustus Willis Bass, Appellant.	County Attorney Attorney General Benjamin C. Wood Melissa Sheridan	Labette

LEWIS C. CARTER
Clerk of the Appellate Courts

Doc. No. 005365

State of Kansas

**BOARD OF INDIGENTS'
DEFENSE SERVICES****NOTICE OF MEETING**

The State Board of Indigents' Defense Services will meet at 1 p.m. Friday, June 5, at the Park Inn International, 1000 N. Broadway, Wichita.

For additional information, please contact Ron Miles, Director, State Board of Indigents' Defense Services, 900 Jackson, Room 506, Topeka 66612, (913) 296-4505.

RONALD E. MILES
Director

Doc. No. 005369

State of Kansas

**DEPARTMENT OF HEALTH
AND ENVIRONMENT****NOTICE OF INTENT TO
DENY HAZARDOUS WASTE
DELISTING PETITION**

On November 20, 1982, the Derby Refining Company filed a delisting petition with the Kansas Department of Health and Environment to exclude from regulation a listed hazardous waste stream generated at their Wichita facility. The waste is identified by the waste codes K048, K049, K050, and K051. These waste codes are assigned to petroleum refinery wastes which may contain hazardous concentrations of lead and chromium.

Derby filed the delisting petition according to the procedures outlined in the 40 Code of Federal Regulations, Section 260.20 and 260.22. Analytical data to support the petition was also submitted. KDHE reviewed the petition and the data and found that the waste did not exhibit any of the hazardous characteristic for which it was listed (lead and chromium).

On December 21, 1982, KDHE granted an exclusion to Derby for the waste stream. The exclusion allowed Derby to manage the waste as non-hazardous, but required annual testing for lead and chromium to ensure that the waste remained non-hazardous. Shortly thereafter, Derby began approved disposal of the delisted waste in the Sedgwick County-Brooks landfill.

On November 8, 1984, the Hazardous and Solid Waste Amendments (HSWA) to the Resource Conservation and Recovery Act (RCRA) became law. Section 3001(f) of HSWA modified the requirements for successfully filing delisting petitions. The modifications included more stringent standards, consideration of factors in addition to those for which the waste was originally listed, and required public notice and comment before making final delisting decisions.

KDHE informed Derby of the modified delisting requirements and halted disposal of this waste in the county landfill. On March 14, 1985, KDHE requested process information and additional waste testing from Derby. The additional testing required analysis for 12

heavy metals (including lead and chrome) and 55 organic compounds. Five separate samples of the waste were tested. KDHE received the test results on the last sample in September 1986.

In order to evaluate the test results, KDHE elected to use a groundwater model developed by the U.S. Environmental Protection Agency. The model was developed for use by the EPA in the Federal Delisting Program. The model predicts a reasonable worst case contaminant concentration in a water well located 500 feet downgradient from the disposal site. The predicted contaminant concentrations are compared to established drinking water standards and/or cancer risk standards. If any of the predicted concentrations exceed the established standards, the delisting petition is denied and the waste must be managed as hazardous waste. If the standards are not exceeded, monitoring wells must be installed at the disposal site and actual data collected for at least one year before a petition is granted. The final version of EPA's model, called the VHS model, was published in the November 27, 1985 Federal Register. A separate model for organic compounds was published in the November 13, 1986 Federal Register.

Application of the EPA models to the test results of Derby's listed waste predicted that the established standards for some heavy metals would be exceeded for all five samples and that the standards for several organic compounds would be exceeded in four out of the five samples. Thus, KDHE has made the tentative decision to deny Derby's delisting petition and require that the waste be managed as hazardous.

The administrative record on this action will be available for public review and comment from May 15-June 15, from 8 a.m. to 4:30 p.m. Monday through Friday, at the KDHE central office, Building 321, Forbes Field, Topeka; at the KDHE Wichita district office, 3244 E. Douglas, Wichita; and at the U.S. EPA Region VII office, 726 Minnesota Ave., Kansas City, Kansas.

Comments or requests for additional information should be directed to John Paul Goetz, Chief, Hazardous Waste Section, Bureau of Waste Management, at the KDHE central office in Topeka, (913) 862-9360. Comments must be submitted by June 15.

If comments or requests are received which indicate public interest in this action, a public hearing may be scheduled.

JACK D. WALKER, M.D.
Secretary of Health
and Environment

Doc. No. 005368

State of Kansas

BOARD OF HEALING ARTS

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 1 p.m. Tuesday, June 2, in the office of the State Board of Healing Arts, Suite 553, Landon State Office Building, 900 S.W. Jackson, Topeka, to consider the adoption of proposed new temporary and permanent administrative rules and regulations of the Board of Healing Arts pertaining to occupational therapists and occupational therapy assistants.

The following is a brief summary of the proposed regulations:

K.A.R. 100-54-1 specifies the requirements to be submitted to the board by an application for registration as an occupational therapist or occupational therapy assistant.

K.A.R. 100-54-2 specifies the fieldwork necessary for registration.

K.A.R. 100-54-3 specifies that an education program in occupational therapy approved by the Board of Regents will be recognized by the board and lists the criteria the board will consider in order to recognize other programs.

K.A.R. 100-54-4 specifies the examinations required by the board to be passed to qualify for registration.

K.A.R. 100-54-5 sets forth the various fees to be charged and collected by the board.

K.A.R. 100-54-6 sets forth the definition of "unprofessional conduct."

K.A.R. 100-54-7 specifies the requirements for renewal of registrations, late renewals and reinstatement of registrations.

K.A.R. 100-54-8 specifies the minimum continuing education requirements to be fulfilled for renewal of registrations.

K.A.R. 100-54-9 specifies the minimum continuing education requirements to be fulfilled to renew expired registrations and to reinstate registrations.

K.A.R. 100-54-10 specifies the supervision to be provided by a licensee to a registrant in occupational therapy.

K.A.R. 100-54-11 specifies the supervision occupational therapists shall provide to occupational therapy assistants.

K.A.R. 100-54-12 sets forth the information which must be provided to the board when occupational therapy assistants work under the supervision of an occupational therapist.

K.A.R. 100-54-13 limits the number of occupational therapy assistants working under the supervision of an occupational therapist.

A second public hearing will be conducted at 3 p.m. Tuesday, June 2, in the office of the State Board of

Healing Arts, to consider the adoption of proposed new temporary and permanent administrative rules and regulations pertaining to respiratory therapists.

The following is a brief summary of the proposed regulations:

K.A.R. 100-55-1 specifies the requirements to be submitted to the board by an applicant for registration as a respiratory therapist.

K.A.R. 100-55-2 specifies the fieldwork necessary for registration.

K.A.R. 100-55-3 specifies that an education program in respiratory therapy approved by the board of regents will be recognized by the board and lists the criteria the board will consider in order to recognize other programs.

K.A.R. 100-55-4 specifies the examinations required by the board to be passed to qualify for registration.

K.A.R. 100-55-5 sets forth the various fees to be charged and collected by the board.

K.A.R. 100-55-6 sets forth the definition of "unprofessional conduct."

K.A.R. 100-55-7 specifies the requirements for renewal of registrations, late renewals and reinstatement of registrations.

K.A.R. 100-55-8 specifies the minimum continuing education requirements to be fulfilled for renewal of registrations.

K.A.R. 100-55-9 specifies the minimum continuing education requirements to be fulfilled to renew expired registrations and to reinstate registrations.

Copies of the regulations and fiscal impact statements may be obtained by writing to the State Board of Healing Arts.

All interested parties may attend and will be given an opportunity to express comments either orally or in writing, or both. Those persons unable to attend may submit written comments before the hearing to the Board of Healing Arts at the address above. For those who desire to present testimony in person at the hearing, prior notice to the board would be helpful in arranging the agenda. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit oral presentation to five minutes.

Following the hearings, all written and oral comments submitted by interested parties will be considered by the State Board of Healing Arts as the basis for adopting the proposed regulations.

CHARLENE K. ABBOTT
Executive Secretary

Doc. No. 005342

State of Kansas

ATTORNEY GENERAL

Opinion No. 87-74

Intoxicating Liquors and Beverages—Cereal Malt Beverages—Sunday Sales. Representative Keith Roe, 109th District, Mankato, April 30, 1987.

Licensing restrictions on the sale of cereal malt beverages (CMB) which are imposed at the local level must be consistent with state law and reasonably related to permitted purposes, *i.e.* regulating moral, sanitary and health conditions of the places licensed. Upon publication of newly enacted legislation in the Kansas Register, Sunday sales of CMB will automatically be permitted across the state wherever CMB is currently allowed to be sold, if the place of business meets the 30 percent food sale conditions of K.S.A. 41-2704(b)(2), as amended.

Local legislation which would prohibit sale of CMB on Sundays would be inconsistent with the provisions of the newly enacted law which allows for limited Sunday sales. Therefore, local units of government may not prohibit Sunday sales of CMB by ordinance or resolution.

Pursuant to K.S.A. 41-2704, as amended, the governing body of any city and the board of county commissioners of any county may reasonably regulate the hours that CMB may be sold. An attempt by the city or county to unreasonably restrict hours of sale would not withstand court scrutiny. Cited herein: K.S.A. 41-2704, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141. TL

Opinion No. 87-75

Agriculture—Wind-Blown Dust and Soil Erosion—Use of Funds for the Prevention of Soil Erosion. Charles A. Peckham, Rawlins County Attorney, Atwood, May 1, 1987.

Article 11, § 5 of the Kansas Constitution requires that a tax be used for the purpose for which it was levied. The Kansas Supreme Court has determined that a general revenue tax is levied to cover the usual, ordinary current expenses of the county. Since Rawlins County expenses related to the prevention of soil erosion must be classified as special or extraordinary, rather than usual or ordinary, the prevention of soil erosion is not a matter which falls within the purposes for which the general tax levy is made. Accordingly, use of general fund revenue to finance the prevention of soil erosion would violate Article 5, § 11 of the Kansas Constitution. Such a use would also violate the provisions of K.S.A. 2-2001 *et seq.*, the statutes which deal with wind-blown dust and soil erosion. Cited herein: K.S.A. 2-2004; 2-2007; 19-241; Ks. Const., Art. 11, § 5. BPA

Opinion No. 87-76

Counties and County Officers—County Attorney—Vacancy in Office.

Elections—Filling Vacancies in Offices and Candidacies—Vacancy in Office of County Attorney. Repre-

sentative Harold Guldner, 122nd District, Syracuse, May 1, 1987.

Kansas law provides that a vacancy occurring in the office of county attorney shall be filled by appointment by the governor of a person elected by a district convention held as provided in K.S.A. 25-3902. Although the applicable statutes do not establish a time limit for filling such a vacancy, nor penalties or other provisions for failure to fill a vacancy, such vacancies in public office are to be filled as soon as is reasonable and practicable to avoid leaving the office unoccupied for any extended period.

Authority and responsibility for calling a district convention is vested entirely in the county chairman, or alternatively in the county vice-chairman. Consequently, other members of the central committee, as well as registered electors of the county, have no power to force the calling of a convention. Cited herein: K.S.A. 19-715; 25-3901; 25-3902. BPA

Opinion No. 87-77

Automobiles and Other Vehicles—Uniform Act Regulating Traffic; Powers of State and Local Authorities—Portable Stop Signs. Harold T. McCubbin, Attorney at Law, Norton, May 1, 1987.

The manual adopted by the Kansas Department of Transportation pursuant to K.S.A. 8-2003 concerning traffic-control devices provides that portable stop signs cannot be used except for an emergency. Cited herein: K.S.A. 8-1432; 8-1472; 8-2001; 8-2002; 8-2003; 8-2005; 8-2008. RLN

Opinion No. 87-78

Eminent Domain—Condemnation in Cities—Cities; Authority to Condemn. Keith Wilson, Liberal Assistant City Attorney, Liberal, May 1, 1987.

Pursuant to the provisions of K.S.A. 26-201, a city may appropriate private property by eminent domain for a public use. Acquisition of a railroad depot building which is included on the state register of historic places constitutes a public use. Cited herein: K.S.A. 26-201; 75-2714. TRH

Opinion No. 87-79

State Departments; Public Officers and Employees—State Moneys—Securing Deposits of State Moneys. Joan Finney, State Treasurer, Topeka, May 1, 1987.

K.S.A. 1986 Supp. 75-4218(b)(2), as amended, prohibits a bank from depositing its pledged securities for state bank accounts with a custodial bank which is owned by the same holding company as the depositing bank. Cited herein: K.S.A. 1986 Supp. 9-519 *et seq.*; 75-4218; L. 1967, ch. 447, § 7; L. 1968, ch. 75, § 2; L. 1973, ch. 63, § 2; L. 1975, ch. 453, § 10; L. 1985, ch. 58, § 3; 1987 House Bill No. 2498, as amended by House Committee. TRL

ROBERT T. STEPHAN
Attorney General

Doc. No. 005377

State of Kansas

FISH AND GAME COMMISSION**NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS**

A public hearing will be held at 7 p.m. Friday, May 29, in the Ballroom of the Sheraton Inn, 5500 W. Kellogg, Wichita, to consider the adoption and amendment of temporary and permanent regulations of the commission.

All interested parties may submit written comments prior to the hearing to the director of the Kansas Fish and Game Commission, Route 2, Box 54A, Pratt 67124. All interested parties will be given a reasonable opportunity at the hearing to orally express their views in regard to the adoption of the proposed temporary and permanent regulations. Following the hearing, all written and oral comments submitted by interested parties will be considered by the commission as a basis for making any changes to the proposed regulations.

The following is a brief summary of the proposed regulations:

K.A.R. 23-5-1. Special surety bond program; definitions. This temporary regulation will provide the general definitions for terms to be used in administrative regulations implementing the commission's special surety bond program.

K.A.R. 23-5-2. Special surety bond authorized. This temporary regulation authorizes the availability of a special surety bond for vendor agents selling Kansas hunting and fishing licenses and permits issued by the Kansas Fish and Game Commission.

K.A.R. 23-5-3. Special surety bond procedure. This temporary regulation establishes the procedures to be followed by an applicant for the issuance of a special surety bond by the commission.

K.A.R. 23-5-4. Special surety bond term of effect and renewal. This temporary regulation establishes the period for which a special surety bond remains in effect and the manner in which it may be renewed.

K.A.R. 23-5-5. Effect of loss of special surety bond on vendor agent authority. This temporary regulation describes the effect of the termination of a special surety bond with regard to the authority of a vendor agent.

K.A.R. 23-5-6. Authorized amount of special surety bond. This temporary regulation establishes the amount for which a special surety bond may be issued by the commission.

K.A.R. 23-5-7. Reduction or increase in special surety bond. This temporary regulation establishes the manner in which a special surety bond may be increased or decreased in amount of coverage.

K.A.R. 23-5-8. Grounds for termination of a special surety bond. This temporary regulation delineates the criteria for revoking a special surety bond issued to a vendor agent by the commission.

K.A.R. 23-7-7. Fur dealers; application; authority; possession of furs; transporting furs; records; revocation. This amendment will establish new require-

ments for fur dealer's record books, their use and inspection.

Copies of the full text of the proposed amendments and regulations and the fiscal impact statements may be obtained by writing to the director of the Kansas Fish and Game at the address above.

DR. WILLIAM A. CARRIGER, SR.
Chairman

Doc. No. 005380

State of Kansas

STATE CORPORATION COMMISSION**NOTICE OF INTERIM POLICY STATEMENT**

The State Corporation Commission intends to adopt the following interim policy relating to surface ponds. This policy is intended to be an interim measure subject to the findings and recommendations of the Surface Ponds Study Committee, a subcommittee of the Oil and Gas Advisory Committee.

K.A.R. 82-3-600 authorizes the commission to require the sealing of "any surface pond, except burn pits, with artificial materials. . . . if an unsealed condition will present a pollution threat to soil or water resources." Thus, in certain environmentally sensitive areas where groundwater or surface water pollution may exist and where the use of surface ponds may aggravate such conditions as determined by the respective district geologist and the technical staff of the Conservation Division office in Wichita, an on-site inspection may be required, prior to the initiation of drilling activities.

As a result, surface pond permit applications for drill pits shall be filed simultaneously with the notice of intention to drill. Both the drill pit application and the notice of intent should be filed with the conservation division at least five days prior to the commencement of any drilling, pursuant to K.A.R. 82-3-103. In order to expedite such inspections, operators may notify the respective district geologist and request a site inspection prior to the filing of the drill pit application and notice of intent.

At the time of inspection, the respective district geologist may require the additional protective measures be taken with respect to pond construction and abandonment procedures. A waiver of such additional requirements may be requested pursuant to K.A.R. 82-3-100.

The commission invites written public comment regarding the adoption of this policy. Please send comments to Shari M. Feist, Acting Director, State Corporation Commission, Conservation Division, 200 Colorado Derby Building, 202 W. 1st, Wichita 67202, by June 1.

SHARI M. FEIST
Acting Director

Doc. No. 005367

State of Kansas

DEPARTMENT OF HUMAN RESOURCES

NOTICE OF JOB SERVICE
SUBSTATE RESOURCE DISTRIBUTION

The Department of Human Resources, Job Service, has received the final planning allotment of resources for operation of program year 1987. The allotment figures given to Kansas by the Secretary of Labor total \$6,421,110. In compliance with federal regulations, Job Service is announcing the substate resource distribution plan. Resources will be distributed to the five service delivery areas for field utilization by a resource allocation formula which includes demographic and productivity factors.

The formula utilizes five basic criteria:

- 1) Total population by service delivery area (1980 census).
- 2) New applications and renewals by SDA.
- 3) Placements 150 days and over by SDA.
- 4) Placements under 50 days by SDA.
- 5) Obtained employment by SDA.

Items 2, 3, and 4 will be obtained from ESARS (Employment Security Automated Reporting System) Table A-22, and Item 5 will be taken from the ESARS (Employment Security Automated Reporting System) 22-B report. The formula will be computed each year in January and the data will be drawn only from the months of February, May, August and November of the preceding calendar year. For example, the formula that is computed in January 1987 will be based on calendar year 1986 statistics and will be used in program year 1987.

The formula is divided into two parts. The first part is weighted as two-thirds of the total formula, and is composed of the first two criteria; total population represents two-thirds of this part and new applications and renewals is weighted as one-third.

The second part of the formula is weighted as one-third of the total formula, and is composed of the third, fourth and fifth criteria; placements 150 days and over will be 70 percent of this part of the formula, while placements under 150 days and obtained employment are each weighted 15 percent.

After computation is completed on each of the two parts, the results will be combined utilizing the two-thirds and one-third weight of each of the two parts. This formula can be utilized to allocate or distribute any resources deemed necessary, such as positions or funding amounts.

Program year 1987 preliminary distributions are as follows:

Program Year 1987

Total state allocation		\$6,421,110
Total state administration		\$ 577,900
Total SDA allocation		\$5,843,210
SDA I	24.11%	\$1,408,779
SDA II	21.10%	\$1,233,121
SDA III	21.56%	\$1,259,765
SDA IV	19.49%	\$1,138,571
SDA V	13.74%	\$ 802,974

Plans for the utilization of these resources are being developed in conjunction with the five service deliv-

ery areas Private Industry Councils. These plans and the resource allocation formula criteria will be available for public review and comment after May 25.

Review or comment may be accomplished by contacting the area supervisor's office in each service delivery area. These individuals may be contacted at:

- SDA I** Glenn Fondoble
Hays Employment &
Training Office
332 E. 8th St.
P.O. Box 659
Hays, KS 67601
(913) 625-5654
- SDA II** Terry Moore
1309 Topeka Blvd.
Topeka, KS 66612
(913) 296-5080
- SDA III** Al Rolls
Kansas City Employment &
Training Office
552 State Ave.
Kansas City, KS 66101-2409
(913) 281-3000
- SDA IV** Bob Warren
Wichita Employment &
Training Office
402 E. 2nd
P.O. Box 877
Wichita, KS 6201-0877
(316) 266-8600
- SDA V** John Gobetz
200 W. 4th
P.O. Box 1381
Pittsburg, KS 66762
(316) 232-2620

If uncertain of your service delivery area designation, contact your nearest Job Service office. Written comments or complaints should be sent to the area supervisor in the respective service delivery area within 30 days of May 25.

Complaints on resource distribution will be reviewed by the area supervisor in the respective service delivery area within five working days of receipt. If the complaint cannot be resolved within the five-day period, it will be forwarded to the secretary of Human Resources. The secretary will resolve the complaint within 10 working days of receipt. That decision will be final and will not be subject to appeal.

DENNIS R. TAYLOR
Secretary of Human Resources

Doc. No. 005381

State of Kansas

**STATE CORPORATION COMMISSION
GOVERNOR'S CONSUMER UTILITY
RATEPAYER'S BOARD**

NOTICE OF MEETING

The first meeting of the Governor's Consumer Utility Ratepayer's Board will be at 10 a.m. Tuesday, May 26, in the State Corporation Commission's Oil and Gas Conservation Division conference room, 3rd floor, 200 Colorado Derby Building, 202 W. 1st, Wichita.

SUE PETERSON
Chairman

Doc. No. 005282

State of Kansas

SECRETARY OF STATE

NOTICE OF FORFEITURE

In accordance with K.S.A. 17-7510, the articles of incorporation of the following corporations organized under the laws of the state of Kansas and the authority of the following foreign corporations to do business in the state of Kansas were forfeited April 15, 1987, for failure to file an annual report and pay the annual franchise tax as required by the Kansas General Corporation Code:

Domestic Corporations

A & L Oil Co., Inc., Colby, KS.
Accountemps, Inc., Topeka, KS.
Alakan Oil Company, Inc., Montgomery, AL.
The Alliance Corporation, Wichita, KS.
Allstates Contractors, Inc., Kansas City, KS.
Alpine Drilling Co., Inc., Wichita, KS.
Alternative Enterprises, Incorporated, Topeka, KS.
American Patrol, Inc., Gardner, KS.
Anderson Escrow, Inc., Overland Park, KS.
Application Processing Service, Ltd.,
Overland Park, KS.
Autry Estates, Inc., Humboldt, KS.
B & B Fluid Service, Inc., Hugoton, KS.
B. F. of St. Francis, Inc., Osage City, KS.
B-S Steel of Kansas, Inc., Leawood, KS.
Beacon Electric, Inc., Greenwood, MO.
The Bell Pepper Company, Inc., Wichita, KS.
The Bench Company, Inc. (A Close Corporation),
Pittsburg, KS.
Better Bee, Inc., Mulvane, KS.
Blanton Electric, Inc., Topeka, KS.
Boone, Inc., Coffeyville, KS.
Brooks Housemoving, Inc., Pittsburg, KS.
Bud Brown Service Company, Overland Park, KS.
Builders Wholesale Supply, Inc., Garden City, KS.
Burgess Manufacturing Inc., Wichita, KS.
Burnidge Welding Supplies, Inc. (Tulsa),
Pittsburg, KS.
Burroughs Management Corporation, Topeka, KS.
Business Office Services, Inc., Topeka, KS.
Carol-Kim Construction, Ltd., Topeka, KS.

Carpets by Johnson & Johnson, Inc.,
Overland Park, KS.
Central Leasing, Inc., Hutchinson, KS.
Central Power, Inc., Garden City, KS.
Christopher Construction Co., Olathe, KS.
The Cincinnati and Kansas Land Company,
Manhattan, KS.
Circle C Associates, Inc., Dodge City, KS.
City Hall Cafeteria, Incorporated, Wichita, KS.
Clark-Davis, Inc., Wichita, KS.
Club Service, Inc., Topeka, KS.
Complete Janitorial Inc., Kansas City, KS.
Cook Enterprises, Inc., Newton, KS.
Crosley, Inc., Topeka, KS.
Cummins Oil Co., Inc., Junction City, KS.
D & R Trucking, Inc., Wichita, KS.
Dan Williams Construction, Incorporated,
Galena, KS.
David M. Forester, M.D., P.A., Kansas City, KS.
Davidson & Co., Inc., Chanute, KS.
Dean Lemmon & Co., Certified Public Accountants,
Chartered, Topeka, KS.
Domestic Athletic Company, Inc., Wichita, KS.
Domestic Holding Company, Inc., Wichita, KS.
Don Talley Realtors, Inc., Garden City, KS.
Double Ace Car Wash, Inc., Salina, KS.
Dr. Arnold Lyon, D.D.S., P.A., Wichita, KS.
Driver Records, Inc., Topeka, KS.
Drury Finance, Inc., Atchison, KS.
E & M Auto Supply, Inc., Kansas City, KS.
E. T. Boone, Inc., Leavenworth, KS.
Elkcorp Insurance Agency, Inc., Clyde, KS.
Emporia Security Systems, Inc., Emporia, KS.
Epperson Studio and Camera Supply, Inc.,
Wellington, KS.
F. J. Wuest Associates, Inc., Leavenworth, KS.
Farrell Foods, Inc., Prairie Village, KS.
Foster & Foster, M.D.S., Chartered,
Kansas City, KS.
Four State Horse Trader, Inc., Chanute, KS.
Francis Casing Crews, Inc. of Hays, Kansas,
Great Bend, KS.
GC C Company Inc., Prairie Village, KS.
G. C. Implement, Inc., McPherson, KS.
G.F.G., Inc., Wichita, KS.
The Girard Plumbing, Heating and Electrical Inc.,
Girard, KS.
Great Bend Homes, Inc., Great Bend, KS.
H. David Wylie, D.C., P.A., Osborne, KS.
H.E.S. International, Inc., Leawood, KS.
Harbour Wholesale, Inc., Olathe, KS.
Heavener Properties, Inc., Derby, KS.
Hewitt Homes, Inc., Olathe, KS.
Huston Ranch, Inc., Emporia, KS.
Industrial Line Construction, Inc., Kinsley, KS.
Iola Land & Cattle Company, Inc., Iola, KS.
Irwin Lehrhoff & Associates, Inc., Wichita, KS.
J & K Development, Inc., Wichita, KS.
Journeys End Farm, Inc., Lansing, KS.
K/4 Trading Corporation, Wichita, KS.
Kansas-Texan Land Company Ltd., Topeka, KS.

(continued)

- Kansas Convention Consultants and Meeting Services, Wichita, KS.
- Kansas Educational Services, Inc., Emporia, KS.
- Karan Y. Baucom, M.D., P.A., Topeka, KS.
- Kem Tek Grain Service, Inc., Tribune, KS.
- Kentucky Fried Chicken of Junction City, Inc., Junction City, KS.
- Key Enterprises, Inc., Sublette, KS.
- Kri-Dax Stables, Inc., Ottawa, KS.
- Kruse Dirt Contractor, Inc., Liberal, KS.
- Kwik-Fil, Inc., Dodge City, KS.
- L R Service Co., Inc., Glendale, CA.
- L. K. Nichols Co., Inc., Shawnee, KS.
- La Azteca, Inc., Leavenworth, KS.
- Labrador's Unlimited, Inc., Wichita, KS.
- Laidlaw Partners, Inc., Montgomery, AL.
- Letters, Inc., Wichita, KS.
- LGM Construction, Inc., Shawnee Mission, KS.
- Liberal Odyssey Racing, Inc., Liberal, KS.
- Lindsborg Farmers Union Locker Plant, Inc., Lindsborg, KS.
- Linn County Feed Service, Inc., Mound City, KS.
- Lyn F. Knight Rare Coins, Inc., Overland Park, KS.
- M. E. Nunemaker, M.D., P.A., Hutchinson, KS.
- Machining Services, Inc., Wichita, KS.
- Magley Farms, Inc., Bird City, KS.
- Magnus Resources, Inc., Chanute, KS.
- Maplewood Construction, Inc., Wichita, KS.
- Mar-Jen, Inc., Norton, KS.
- Marclif, Inc., Kansas City, KS.
- Marketing Consultants Group, Inc., Overland Park, KS.
- Mayer's Flowers and Decoratives, Inc., Overland Park, KS.
- McMillen Oilfield Equipment, Inc., Great Bend, KS.
- Medical Delivery Systems, Inc., Wichita, KS.
- Medo Mirza, M.D., P.A., Wichita, KS.
- Mercury Realty, Inc., Wichita, KS.
- Midwest Metals, Inc., Wichita, KS.
- Moran Truck Stop, Inc., Moran, KS.
- Morgan Gallery, Inc., Overland Park, KS.
- Mule Distributing Co., Inc., Topeka, KS.
- Murphy Petroleum, Inc., Wichita, KS.
- National Autofinders of Wichita, Inc., Wichita, KS.
- NCN Investments, Inc., Lenexa, KS.
- NCN Properties, Inc., Lenexa, KS.
- North Side Services, Inc., Hutchinson, KS.
- Northern Excavating, Inc., Omaha, NE.
- Old Savannah Seafood & Smokehouse, Inc., Coffeyville, KS.
- Olympia Satellite Systems, Inc., Olathe, KS.
- Omni Business Forms, Inc., Salina, KS.
- Petrochem Well Servicing, Inc., Overland Park, KS.
- Pettijohn Bros., Inc., Stafford, KS.
- Phinney Truck and Auto Repair, Incorporated, Wichita, KS.
- Pintail Trucking, Inc., Great Bend, KS.
- Port Perry Enterprises, Inc., Perry, KS.
- Portco, Inc., Overland Park, KS.
- Professional Security Investors, Inc., Overland Park, KS.
- Property Maintenance, Inc., Olathe, KS.
- Quinter Development Corporation, Quinter, KS.
- Ranson Securities Company, Inc., Wichita, KS.
- Recreational Entertainment Corporation, Olathe, KS.
- Resla, Inc., Wichita, KS.
- Rising Sun Cattle Company, Inc., Emporia, KS.
- Rivco Distributors, Inc., Wichita, KS.
- Robert Half Personnel Agencies, Inc., Topeka, KS.
- Robertson Tractor Operations Inc., Valley Center, KS.
- Roeland Park 66, Inc., Roeland Park, KS.
- Rollings Trucking Company, Inc., Wichita, KS.
- Rondo Productions, Inc., Wichita, KS.
- S.F., Inc. of Kansas, Kansas City, KS.
- S.T.S. Corp., Augusta, GA.
- Sage & Smith Funeral Home, Inc., Goodland, KS.
- Sales D'Amour, Inc., Overland Park, KS.
- Seasonal Rentals, Inc., Medicine Lodge, KS.
- Seidel-Heath, Inc., Ashland, KS.
- Shawnee Services, Inc., Overland Park, KS.
- Sheet Metal Products, Inc., Pittsburg, KS.
- Shield Oil Company of Kansas, Inc., Tulsa, OK.
- Silk Scapes Hutchinson Mall, Inc., Wichita, KS.
- Smitherman Drilling Co., LaJolla, CA.
- Spectrum Sign & Graphics, Inc. (A Close Corp.), Lawrence, KS.
- State Investment Co., Inc., Topeka, KS.
- Sterling Body Shop, Inc., Sterling, KS.
- Stoepelwerth Drilling, Inc., McCook, NE.
- Stowe Chemical Company, Inc., Topeka, KS.
- Strategic Timing, Inc., Topeka, KS.
- Summit Production, Inc., Chanute, KS.
- Sunflower Oil Co., Inc., Hutchinson, KS.
- Surfaces Inc., Augusta, KS.
- The Surplus Exchange, Inc., Mission, KS.
- Surveillance Services, Inc., Kansas City, KS.
- Tallgrass Exploration Corp., Overland Park, KS.
- Tara Corporation of Kansas, Wichita, KS.
- Tekno Engineering Corp., Fremont, CA.
- Terac Management Company, Inc., Wichita, KS.
- T & H Oil Co., Inc. (A Glose Corporation), Hutchinson, KS.
- Today Leasing of Kansas, L.P., Olathe, KS.
- Topeka Services, Inc., Topeka, KS.
- Total Battery, Inc., Wichita, KS.
- Tousignant Professional Services, Inc., Emporia, KS.
- Tractor 6600, Inc., Fort Scott, KS.
- Tractor 6829, Inc., Fort Scott, KS.
- Tractor 8357, Inc., Galena, KS.
- Tractor 8364, Inc., Cincinnati, OH.
- Tractor 8380, Inc., Fort Scott, KS.
- Tri-Star Exploration, Inc., El Dorado, KS.
- Triangle Drilling of El Dorado, Inc., El Dorado, KS.
- Trico Pork, Inc., Burlington, KS.
- U.A. Incorporated, Hays, KS.
- Umbarger Properties, Inc., Springfield, MO.
- United Oil & Gas Co., Inc., Coffeyville, KS.
- United Underwriters, Inc., Goddard, KS.
- Universal Force Dynamics, Inc., Leavenworth, KS.
- Utility Consultants, Inc., Wichita, KS.
- The Veazey Corporation, Wichita, KS.

VFI Corporation, Pittsburg, KS.
 VIC Peak Incorporated, Emporia, KS.
 Waldrop Engineering, Inc., Overland Park, KS.
 Web of Thread, Inc., Topeka, KS.
 West Sun, Inc., Ingalls, KS.
 Westbrooke Standard Service, Inc., Lenexa, KS.
 William D. Hamblin, Chartered, Leawood, KS.
 William J. Ciskey, M.D., P.A., Eureka, KS.
 Williamson Drilling, Inc., Great Bend, KS.
 Yenom, Inc., Wichita, KS.
 Zirkle Truck Line, Inc., Auburn, KS.

Foreign Corporations

Adco Systems, Incorporated, Edwardsville, IL.
 Agi-Bedford Manor, Inc., Springfield, MO.
 Armour Amusement Company, Inc.,
 Kansas City, KS.
 B & D Equities Inc., New York, NY.
 Baker Oil Tools, Inc., Houston, TX.
 Belding Corporation, W. Chicago, IL.
 Belpar Environmental, Inc., Granite City, IL.
 Bill Hodges Truck Company, Inc.,
 Oklahoma City, OK.
 Bogert Oil Company, Oklahoma City, OK.
 Breddo Inc., Kansas City, KS.
 Builders Equipment & Tool Company,
 Houston, TX.
 Calvin Exploration, Inc., Santa Fe, NM.
 Cardiff Cablevision of Kansas, Inc., Tulsa, OK.
 Centel Business Information Systems, Inc.,
 Rockville, MD.
 Coppaken Investments, Inc., Kansas City, MO.
 Dan Howard Industries, Inc., Chicago, IL.
 Downs & Bowin Consultants, Inc., Louisville, KY.
 Drilex Oil & Gas, Inc., Arvada, CO.
 Eastern Satellite Technology Corp.,
 Clifton Park, NY.
 Emefco Petroleum, Inc., Denver, CO.
 Employee Benefit Plans of Oklahoma, Inc.,
 Tulsa, OK.
 Exeter Service Company, Lombard, IL.
 Four State Appliances, Inc., Joplin, MO.
 Frank-Rhine Company, Carthage, MO.
 Gaines Motorcycle Leasing Corporation,
 Brooklyn, NY.
 General Growth Properties, Des Moines, IA.
 Global Exchange International Ltd.,
 Shawnee Mission, KS.
 GPE (Oil & Gas) Inc., New York, NY.
 Group Travel Services, Ltd., Wilmington, DE.
 Gulf Seal Corporation, Houston, TX.
 H. J. Walter Development Company,
 Kansas City, MO.
 High Plains Resources, Inc., Denver, CO.
 Industrial Line Construction, Inc., Kinsley, KS.
 Intercontinental Cash Corp., Columbus, OH.
 J. M. Elmer, Inc., Raymore, MO.
 J. B. McCoy Construction Company, Inc.,
 Greeley, CO.
 J. C. Trahan Drilling Contractor, Inc.,
 Shreveport, LA.
 Jet Drilling Corporation, Parkersburg, WV.
 J & M Enterprises, Inc., Albuquerque, NM.

John H. Reed Construction Co., Inc., Mission, KS.
 K. C. Concrete Curb & Flatwork, Inc.,
 Kansas City, MO.
 Kissinger Drilling, Inc., Denver, CO.
 Kissinger Exploration, Inc., Denver, CO.
 Kronos Incorporated, Waltham, MA.
 Live Foods Company, Inc., Wilmington, DE.
 Mareve Oil Corp., New York, NY.
 Martinson Manufacturing Co., Inc., Sheffield, IA.
 McLennan Drilling Company, Inc., Nowata, OK.
 Mechanical Breakdown Protection, Inc.,
 St. Louis, MO.
 Midwest Erickson Hair and Scalp Specialists, Inc.,
 Crestwood, IL.
 Minerich, Inc., Richmond, KY.
 Mission Mud Control, Inc., Topeka, KS.
 Nation-Wide Security, Inc., Lathrup Village, MI.
 Nicholson Equities Corporation, Coral Gables, FL.
 OKC Transport Corp., Dallas, TX.
 OMLW Investment Company, Kansas City, MO.
 Osage Spray Service, Inc., Bartlesville, OK.
 Peabody Continental-Heine Co., Des Plaines, IL.
 Peet's Feeds, Inc., Council Bluffs, IA.
 Pengo Oilfield Services, Inc., Fort Worth, TX.
 Petrodril, Inc., Davis, OK.
 Portable Power & Light Co., Inc.,
 Overland Park, KS.
 PWJC Insurance Sales Incorporated, New York, NY.
 The Realty 50 Network, Inc., St. Charles, MO.
 Reichmeier and Associates, Inc.,
 Shawnee Mission, KS.
 Rochemco, Inc., Sarasota, FL.
 Russ Pharmaceuticals, Inc., Birmingham, AL.
 S. W. Devanney & Company, Incorporated,
 Denver, CO.
 Sajeco, Inc., Sedalia, MO.
 Siemens Medical Systems, Inc., Iselin, NJ.
 Sirrocco Oil & Gas, Inc., Loomis, NE.
 Sixth Income Properties Fund, Inc., Boston, MA.
 SLT Warehouse Company, St. Louis, MO.
 Southern Instruments, Inc., Baton Rouge, LA.
 Standard Life Oil & Gas Limited, Jackson, MS.
 State Line Heating and Cooling, Inc.,
 Kansas City, KS.
 Sunburst Energy, Inc., Phoenix, AZ.
 Tandem Computers, Incorporated, Cupertino, CA.
 Terminal Consolidation Company, Lenexa, KS.
 Time Service, Inc., Toledo, OH.
 Totco Operating Corporation, Norman, OK.
 Trahan Petroleum, Inc., Shreveport, LA.
 Tri-Am Acid and Fracture Service, Inc.,
 Pawhuska, OK.
 Trinity Oil and Gas, Inc., Denver, CO.
 United Brake Systems, Inc., Indianapolis, IN.
 Vigortone Ag Products Inc., Cedar Rapids, IA.
 Walter Construction Services, Inc.,
 Kansas City, MO.
 William Taylor & Associates, Inc., Amarillo, TX.
 Windgate Oil Company, Inc., Provo, UT.
 Zoltek Corporation, St. Louis, MO.

BILL GRAVES
 Secretary of State

State of Kansas

SOCIAL AND REHABILITATION SERVICES**NOTICE OF MEETING
AND PUBLIC HEARING ON
PROPOSED ADMINISTRATIVE REGULATIONS**

The Department of Social and Rehabilitation Services will meet at 9 a.m. Tuesday, June 2, in the Staff Development Training Center, 2700 W. 6th, Topeka.

The scheduled agenda includes a legislative review, social service block grant hearing, public hearing for fiscal year 1989 program priorities, presentation of proposed community services block grant plan, and public hearing concerning proposed temporary administrative regulations. A summary of the proposed regulations is set forth below. The proposed regulations are scheduled to become effective on July 1, 1987.

A. Public Assistance Program.

1. **30-4-34. Program.** This regulation is being amended to delete reference to the transitional GA (TGA) program which is being abolished effective July 1, 1987.

2. **30-4-41. Assistance planning.** This regulation is being amended to:

a. Limit the definition of a "caretaker relative" to the relative who is assigned the primary responsibility for the care and control of the child, either singly or, as in the case of two parents, jointly;

b. expand the essential person provision to include the needy spouse of a caretaker relative; and

c. add CWEP to the work related requirements that an essential person must meet.

3. **30-4-57. Job search requirements.** This regulation is being amended to:

a. Exempt the caretaker relative who is personally providing care for a child with only brief and infrequent absences from the child when the child is less than age three. Previously the exemption was applicable when the child was less than six years of age; and

b. permit the acceptance of a vocational rehabilitation counselor's statement for establishing incapacity for the purpose of exempting a GA recipient.

4. **30-4-62. Community work experience program requirements.** This regulation is being amended to exempt the caretaker relative who is personally providing care for a child with only brief and infrequent absences from the child when the child is less than age three. Previously the exemption was applicable when the child was less than six years of age.

5. **30-4-75. ADC work incentive program registration requirements.** This regulation is being amended to:

a. Exempt the caretaker relative who is personally providing care for a child with only brief and infrequent absences from the child when the child is under age three. Previously the exemption was applicable when the child was less than six years of age; and

b. expand the exemption for a caretaker relative of a child under three years of age to permit absence from the child for the purpose of employment or participation in an agency-approved work-related activity.

6. **30-4-90. Eligibility factors specific to the GA-unrestricted (GAU) program.** This regulation is being amended to:

a. Expand the GAU criteria to include the parent or parents of a child who has been removed from the home and placed in foster care, provided that there is an agency-approved plan to return the child to the home; and

b. specify that only those alcohol and drug abuse facilities that are licensed or certified by Alcohol and Drug Abuse Services qualify as an alcohol and drug abuse facility for GAU purposes.

7. **30-4-91. Eligibility factors specific to the transitional GA (TGA) program.** This regulation is being revoked as the TGA program is being abolished effective July 1, 1987.

8. **30-4-100. Payment standards for budgetary requirements in the ADC, ADC-FC, APW, GA, and GA-FC programs.** This regulation is being amended to:

a. Delete reference to the special budgetary provisions for the TGA program since this program is being abolished effective July 1, 1987; and

b. cap the household size at four persons when budgeting a GAU pro rata living arrangement.

9. **30-4-101. Standards for persons in own home, other family home, specialized living, commercial board and room, or commercial room-only living arrangements.** This regulation is being amended to increase the energy supplement contained in the basic standards to \$12 per person. This represents a \$7 increase per person over the standards that went into effect on February 1, 1987.

10. **30-4-102. Standards for children in foster care.** This regulation is being amended to increase the foster family care standards by 3 percent. This represents a 3 percent increase in the rates that were in effect prior to January 1, 1987.

11. **30-4-106. General rules for consideration of resources, including real property, personal property, and income.** This regulation is being amended to provide that when a nonlegally responsible person in the home and not on the assistance plan contributes cash toward household expenses, the amount of the contribution to be counted shall be the net income realized by the household.

12. **30-4-110. Income.** This regulation is being amended to:

a. Require that if a period of ineligibility is established in a federally funded program, it shall also result in ineligibility for a state funded program. However, the period of ineligibility established for a state funded program shall not result in ineligibility for a federally funded program; and

b. reflect a technical change.

13. **30-4-112. Income exempt from consideration as income and as a cash asset.** This regulation is being amended to:

a. Expand the exemption of complementary assistance to that assistance provided by another agency or organization that complements, but does not duplicate, assistance provided by the agency without regards to its usage; and

b. expand the provision related to grants and loans to exempt such income when it is for the purpose of meeting needs not related to current living costs.

14. 30-4-120. Special allowances and requirements for applicants and recipients of ADC, ADC-FC, APW, GAU, TGA, and GA-FC. This regulation is being amended to:

a. Delete reference to the TGA program in the title since the TGA program is being abolished effective July 1, 1987; and

b. expand the special requirements section to provide for expenses associated with an agency-approved plan for education and training.

B. Medicaid/Medikan Program—Provider Participation, Scope of Services, Reimbursement.

1. 30-5-75. Scope of services for eligible aliens. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-5-75. Scope of services for eligible aliens. The scope of services shall be limited to emergency medical services for otherwise eligible aliens pursuant to K.A.R. 30-6-54 who do not qualify under the citizenship and alienage requirements.

C. Medicaid/Medikan Program—Client Eligibility.

1. 30-6-41. Assistance planning. This regulation is being amended to limit the definition of a "caretaker relative" to the relative who is assigned the primary responsibility for the care and control of the child, either singly, or as in the case of two parents, jointly.

2. 30-6-57. Job search requirements. This regulation is being amended to exempt the caretaker relative who is personally providing care for a child with only brief and infrequent absences from the child when the child is less than age three. Previously the exemption was applicable when the child was less than age six.

3. 30-6-65. Automatic eligibles. This regulation is being amended to delete all reference to automatic eligibility for TGA recipients since the TGA cash program is being abolished effective July 1, 1987.

4. 30-6-103. Determined eligibles; protected income levels. This regulation is being amended to increase the protected income level for two persons to \$460 and for three persons to \$465.

5. 30-6-106. General rules for consideration of resources, including real property, personal property, and income. This regulation is being amended to:

a. Provide that when a nonlegally responsible person in the home and not on the assistance plan contributes cash toward household expenses, the amount of the contribution to be counted shall be the net income realized by the household; and

b. limit the consideration of combined real and personal property of a husband and wife when both are applicants or recipients and one or both are in a care situation for the month the care situation begins and the following six months to those instances in which both spouses are aged, blind, or disabled.

6. 30-6-109. Personal property. This regulation is being amended to specify for SSI, that a retroactive social security payment received by an applicant or recipient or an ineligible legally responsible person is

exempt for the six months following the month of receipt.

7. 30-6-111. Applicable income. This regulation is being amended for technical changes only.

8. 30-6-112. Income exempt from consideration as income and as a cash asset. This regulation is being amended to:

a. Expand the exemption of complementary assistance to that assistance provided by another agency or organization that complements, but does not duplicate, assistance provided by the agency without regard to its usage; and

b. expand the provision related to grants and loans to exempt such income when it is for the purpose of meeting needs not related to current living costs.

9. 30-6-113. Income exempt as applicable income. This regulation is being amended to add an additional exemption for SSI to disregard the amount of the social security adult disabled child benefit for an otherwise eligible SSI person age 18 or older who was receiving SSI benefits that began prior to age 22 and who loses SSI eligibility due solely to the person becoming eligible for the adult disabled child benefits or an increase in the adult disabled child benefits.

D. Child Abuse and Neglect.

1. 30-46-1. Definitions. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-1. Definitions. (a) "Alleged perpetrator" means the person identified in the initial report or during the investigation as the person suspected of perpetrating a reported act of abuse, neglect or sexual abuse.

(b) "Confirmed abuse, neglect or sexual abuse" means that the report has been validated by a preponderance of the evidence.

(c) "Confirmed perpetrator" means the person who has been identified by a preponderance of the evidence to have committed a confirmed act of abuse, neglect or sexual abuse.

(d) "Investigation" means the gathering and assessing of information sufficient to determine if a child has been abused, neglected or sexually abused.

(e) "Report of suspected abuse, neglect or sexual abuse" means information received by the agency or law enforcement that a child is suspected of being abused, neglected or sexually abused.

2. 30-46-2. Right to interview. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-2. Right to interview. An alleged perpetrator shall have the right to be interviewed prior to a proposed finding being issued pursuant to K.A.R. 30-46-3.

3. 30-46-3. Notice of proposed finding. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-3. Notice of proposed finding. (a) Prior to identifying a person as a confirmed perpetrator, the agency shall send such person a written notice of proposed finding specifically setting forth the reasons therefor and offering the alleged perpetrator an opportunity to reply, in writing, or appear in person, or

(continued)

both, before the social service chief or the designee of the social service chief of the area in which the alleged act was committed on the issue of the proposed finding prior to the finalization of such finding. The notice shall specify the date, time and place by or at which the alleged perpetrator may reply in writing or appear, or both. Such date shall be not less than five calendar days nor more than 10 calendar days following the date the notice was personally delivered or mailed to the alleged perpetrator.

(b) The social service chief or the designee of the social service chief shall not have been involved in the investigation of the alleged abuse, neglect or sexual abuse.

4. 30-46-4. Notice of final decision. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-4. Notice of final decision. Following the alleged perpetrator's response to the opportunity to reply to the proposed finding or upon expiration of the time for such reply if no reply is made, the social service chief or the designee of the social service chief shall notify the alleged perpetrator, in writing, of the final decision on the proposed finding. Such notice shall set forth the reasons therefor and inform a confirmed perpetrator of the perpetrator's right to appeal the decision in accordance with K.A.R. 30-7-26, et seq. within 30 calendar days from the date the notice was personally delivered or mailed to the perpetrator.

5. 30-46-5. Central registry. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-5. Central registry. The name of a confirmed perpetrator may not be entered into the agency's central registry until such person has exhausted or failed to exercise the appeal process set forth in K.A.R. 30-7-26, et seq.

6. 30-46-6. Expungement of confirmed perpetrator from central registry. The secretary is promulgating a new regulation. The text of the regulation is set forth below:

30-46-6. Expungement of confirmed perpetrator from central registry. (a) Application for expungement.

(1) A person who has been identified as a confirmed perpetrator of abuse, neglect or sexual abuse may apply in writing to the secretary to have his or her name expunged from the central registry when three years have passed since the most recent incident or there has been a change in circumstances or new information.

(2) Applications for expungement shall be referred to the expungement review panel. The panel shall consist of the commissioner of youth services or the commissioner's designee, the chief legal counsel or the counsel's designee, and a representative of the public appointed by the secretary. The commissioner of youth services or the commissioner's designee shall chair the panel.

(3) The panel shall convene a review hearing at which time the applicant may present evidence concerning why the applicant's name should be expunged from the central registry. The SRS area office which conducted the original investigation may also present

evidence in support of or in opposition to the application at such hearing.

(4) Decisions of the review panel shall be by majority vote. The panel shall consider the following factors in making its decisions: the nature and severity of the confirmed act of abuse, neglect or sexual abuse; the number of previous reports and confirmations of abuse, neglect or sexual abuse involving the applicant; the age of the applicant at the time of the confirmed abuse, neglect or sexual abuse; changes in circumstances of the applicant; and actions taken by the applicant to prevent the reoccurrence of acts of abuse, neglect or sexual abuse.

(5) The review hearing, unless a request for continuance is granted, shall be conducted within 30 days from the date the application for expungement is received by the agency. The commissioner of youth services or the commissioner's designee at least 10 days prior to the hearing shall send a written notice to the applicant and area office setting forth the day, hour, and place of the hearing. Continuances may be granted only for good cause.

(6) The panel shall render a written decision within 60 days from the date the matter is ready for decision. The decision shall be in writing, shall set forth the reasons therefor, and inform an applicant of the applicant's right to appeal an adverse decision in accordance with K.A.R. 30-7-26, et seq., within 30 days from the date the decision was personally delivered or mailed to the applicant.

(b) Expungement by the agency. The secretary or designee of the secretary may cause records to be expunged from the central registry when 18 years have passed since the most recent incident.

A copy of the proposed regulations and fiscal impact statement may be obtained prior to June 2 by contacting Mary Slaybaugh, Legal Services, State Department of Social and Rehabilitation Services, 6th Floor, Docking State Office Building, Topeka 66612, (913) 296-3969. Written comments may be submitted prior to such date to Dr. Robert Harder, Secretary of Social and Rehabilitation Services, at the above address.

Interested persons will be given reasonable opportunity at the hearing to present their views and arguments on the adoption of the proposed temporary regulations. Presentations should be in writing whenever possible. Depending on the number of persons wanting to speak, the department may require that each participant limit his or her oral presentation to three minutes.

The public is invited to this meeting. 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, Osawatomie, Parsons, Pittsburg, Pratt, Salina, Topeka (area office and Docking State Office Building), Wichita and Winfield.

ROBERT C. HARDER
Secretary of Social and
Rehabilitation Services

State of Kansas

DEPARTMENT OF ADMINISTRATION
DIVISION OF PURCHASES

NOTICE TO BIDDERS

Sealed bids for the following items will be received by the Director of Purchases, Landon State Office Building, 900 Jackson, Room 102, Topeka, until 2 p.m. C.D.T. on the date indicated, and then will be publicly opened. Interested bidders may call (913) 296-2377 for additional information.

TUESDAY, MAY 26, 1987

- #69068
Kansas Technical Institute—POWER SUPPLY
- #69069
Kansas Technical Institute—MICROWAVE
FREQUENCY COUNTER
- #69070
University of Kansas—FLOORCOVERING
- #69071
University of Kansas Medical Center—HEARING
AID TEST SYSTEM
- #69072
Adjutant General's Department—SCREENED
ROCK SIZE 3, Fort Riley
- #69073
Department of Transportation—AUGERS,
Hutchinson
- #69074
University of Kansas—VIDEO EQUIPMENT
- #69075
University of Kansas Medical Center—FOLDING/
INSERTING EQUIPMENT
- #69076
Fort Hays State University—VIDEO EQUIPMENT
- #69077
University of Kansas—DISK DRIVE (DATA
GENERAL), TAPE BACKUP (MICRO)
- #69078
Department of Transportation—SEDAN
- #69080
University of Kansas—PRODUCTION OF
FULL-COLOR GEOLOGICAL MAP
- #69081
University of Kansas—TRANSFORMERS
- #69083
Kansas State University—BLANKETS
- #69135
Department of Social and Rehabilitation
Services—TELECOMMUNICATION SYSTEM

WEDNESDAY, MAY 27, 1987

- #A-4856
University of Kansas Medical Center—FURNISH
AND INSTALL BEDROCK ANCHORS TO
FLEX-CONNECTORS, primary chilled water pump
locations, Applegate Energy Center
- #A-5735(a)
University of Kansas Medical Center—REMOVAL
AND REPLACEMENT OF INSULATION, Wahl Hall
West, on campus
- #26084
Department of Health and Environment—
PHARMACEUTICAL SERVICES FOR FAMILY
PLANNING PROGRAM
- #27070-Supplement
University of Kansas—CLEANING CHEMICALS
AND SUPPLIES

- #27099
University of Kansas Medical Center—CARDIAC
CATHETER SUPPLIES
- #27157
Statewide—1988 CALENDARS
- #27223
Kansas Correctional Industries—VARIOUS
MEDIUM OIL AND ALKYD MODIFIED RESINS
- #27229
Kansas Correctional Industries—VINYL ACRYLIC
AND VARIOUS EMULSIONS
- #27235
Kansas Correctional Industries—RUTILE
TITANIUM DIOXIDE (W-5)
- #27241
Statewide—CALCIUM CHLORIDE
- #27432
Statewide—DAIRY PRODUCTS
- #69082
Kansas State University—GRAIN
- #69086
University of Kansas—BIOLOGICAL CABINET
- #69087
University of Kansas—LAB EQUIPMENT
- #69088
University of Kansas Medical Center—HPLC
DETECTOR
- #69089
Kansas State University—GENERATOR
- #69090
University of Kansas Medical Center—SURGICAL
INSTRUMENTS
- #69091
Department of Transportation—RIP RAP STONE,
Wyandotte County
- #69092
Department of Administration, Division of
Printing—GRAY CHIPBOARD
- #69101
Pittsburg State University—GAS
CHROMATOGRAPH
- #69104
Department of Transportation—LUMINAIRES,
Wichita
- #69105
Kansas State University—FURNISH AND INSTALL
SATELLITE ANTENNA SYSTEM
- #69106
University of Kansas—LUMBER AND PLYWOOD
- #69107
Department of Transportation—OVERHEAD
DOORS, Salina
- #69108
Department of Transportation—STONE FOR
AGGREGATE, DITCH LINING, Wyandotte County

THURSDAY, MAY 28, 1987

- #A-5640
Department of Transportation—REMODEL OF
AREA BUILDING, Independence
- #A-5755
Kansas State University—ROOFING SYSTEM
REPLACEMENT, designated areas, Student Union
Building
- #27174
Statewide—EYE GLASSES
- #27230
Kansas Correctional Industries—NEW 55-GALLON
STEEL DRUMS

(continued)

- #27231
Kansas Correctional Industries—RECONDITION
55-GALLON STEEL DRUMS
- #27232
Kansas Correctional Industries—METAL
CONTAINERS (QUARTS THROUGH FIVES)
- #27233
Kansas Correctional Industries—METHYL
CARBITOL, VARIOUS GLYCOLS AND
PHOSPHATE
- #27474
University of Kansas Medical Center—JUNE (1987)
MEAT PRODUCTS
- #27518
Statewide—CANNED GOODS
- #69102
Kansas State University—ULTRAMICROTOME
- #69103
Kansas State University—HPLC SYSTEM
- #69111
Department of Administration, Division of
Information Systems and Communications—FURNISH
AND INSTALL LIQUID DETECTION SENSING
AND LOCATION SYSTEM
- #69112
Kansas State University—BIOLOGICAL CABINET
- #69113
University of Kansas Medical Center—LAB
CENTRIFUGE
- #69114
University of Kansas Medical Center—
DNA/ELECTROPHORESIS EQUIPMENT
- #69115
University of Kansas—WATERPROOF SHOWER
ROOM DRYING AREAS
- #69116
University of Kansas—ICE MACHINES
- #69117
Kansas Technical Institute—ELECTRONIC TEST
EQUIPMENT
- #69118
University of Kansas—STREET LIGHTING
FIXTURES AND POLES
- #69119
Department of Transportation—TRUCK MOUNTED
PAINT STRIPER, Norton
- #69120
Kansas State University—AIR CONDITIONING
UNIT
- #69121
Kansas State University—MICROSCOPES
- #69126
University of Kansas—CARPET
- #69130
Department of Health and Environment—GAS
ANALYZER AND DETECTOR
- #69132
Department of Health and Environment—
SAMPLERS
- #69136
University of Kansas—STACKING CHAIRS AND
TABLES
- #69139
University of Kansas—SCOPE
- #69141
Department of Administration, Buildings and
Grounds Services—ELECTRIC MOTORS
- #69143
Kansas State University—SOFTWARE COPYING
SERVICE
- #69145
Kansas State University—VIDEO EQUIPMENT
- #69146
Kansas State University—PHOTOGRAPHIC
EQUIPMENT
- #69147
Kansas State University—VIDEO EQUIPMENT
- #69149
Kansas Public Employees Retirement
System—PRINTED TINTED ENVELOPES
- #69152
University of Kansas—ELECTRONIC MUSIC
SYSTEM
- #69154
University of Kansas—PRINTING PRODUCTION
SOFTWARE
- #69156
University of Kansas—SYSTEM PRINTER
- #69158
University of Kansas—PROTOCOL ANALYZER
- #69159
University of Kansas—PACKET SWITCHES
- FRIDAY, MAY 29, 1987
- #27516
Statewide—JULY (1987) MEAT PRODUCTS
- #69129
University of Kansas—NUCLEAR EQUIPMENT
- #69160
University of Kansas—CENTRIFUGE ROTOR
- #69161
University of Kansas—HPLC ACCESSORIES
- #69162
Kansas State University—LAB EQUIPMENT
- #69163
Kansas Highway Patrol—LUBRICATING OIL
- #69164
Kansas State University—PLAIN PAPER COPIER
- #69165
University of Kansas—HPLC SYSTEM
- #69166
Emporia State University—STORAGE
DEVICES—IBM MAINFRAME COMPATIBLE
- #69167
Department of Transportation—SCANNER
RECEIVERS
- #69168
Department of Human Resources—IBM
MICROCOMPUTER PERIPHERALS
- #69170
University of Kansas—COMPUTER
UPGRADE—MULTIPLEXER—DEC
- #69171
University of Kansas—LOCAL AREA
NETWORK—IBM
- #69172
Department of Transportation—CRACK SEALANT,
HOT APPLIED, Hutchinson
- #69173
Kansas State Fair—3" ASPHALT PAVING
- #69177
University of Kansas—RESURFACE TENNIS
COURTS
- #69178
University of Kansas—PRINTING OF 1987
GENERAL INFORMATION CATALOG
- #69179
University of Kansas—LAB ANALYZER

#69180

University of Kansas Medical Center—
MICROCOMPUTER PERIPHERALS, Kansas City
and Wichita

#69181

University of Kansas Medical Center and University
of Kansas—LASER PRINTERS

#69182

Kansas Technical Institute—MICROCOMPUTER
MONDAY, JUNE 1, 1987

#69151

Department of Health and Environment—MOVING
SERVICES

TUESDAY, JUNE 2, 1987

#A-5563 and #A-5566

Parsons State Hospital and Training
Center—REPLACE SEWAGE EJECTOR AND HOT
WATER TANKS, Research Building and Ash Cottage

THURSDAY, JUNE 11, 1987

#69142

Department of Health and Environment—
REMEDIATION DESIGN AND CONTROL, Neosho
County

NICHOLAS B. ROACH
Director of Purchases

Doc. No. 005376

State of Kansas

LEGISLATURE

LEGISLATIVE BILLS INTRODUCED

The following lists the numbers and titles of bills
and resolutions recently introduced in the Kansas
Legislature.

Copies of bills and resolutions are available free of
charge from the Legislative Document Room, 145-N
State Capitol, Topeka 66612, (913) 296-4096. There is
a limit of 25 copies of any one item.

Bills introduced April 29-May 4:

House Bills

HB 2603, by Committee on Appropriations: An act concerning retirement benefits for officers and employees of the state board of regents and institutions thereunder; relating to retirement annuities; amending K.S.A. 1986 Supp. 74-4925, as amended by section 1 of 1987 House Bill No. 2411, and repealing the existing sections.

HB 2604, by Committee on Appropriations: An act concerning allowances for official travel by certain public officers and employees; expenses for authorized out-of-state travel; amending K.S.A. 75-3208, as amended by section 2 of 1987 House Bill No. 2078, and repealing the existing section; also repealing K.S.A. 75-3208, as amended by section 2 of 1987 House Bill No. 2478.

HB 2605, by Committee on Appropriations: An act relating to a state higher education loan program; concerning the provisions and financing thereof; amending K.S.A. 72-7407 and repealing the existing section.

HB 2606, by Committee on Appropriations: An act concerning the department of health and environment; relating to the regulation of persons and businesses engaged in asbestos removal or encapsulation; fees for project evaluations; amending K.S.A. 65-5309 and repealing the existing section.

HB 2607, by Committee on Appropriations: An act authorizing the state board of regents to sell certain real property in Lyon county, Kansas; imposing conditions thereon; authorizing disposition of proceeds.

HB 2608, by Committee on Appropriations: An act concerning purchasing and sales procedures for state agencies; relating to competitive bidding and exceptions and alternatives thereto; prescribing powers; duties and functions for the director of purchases and the secretary of administration; amending K.S.A. 75-3739, as amended by section 19 of 1987 House Bill No. 2072, and K.S.A. 75-3739, as amended by section 1 of this act, and repealing the existing sections; also repealing K.S.A. 75-3739, as amended by section 1 of 1987 House Bill No. 2435, and K.S.A. 75-3739, as amended by section 5 of 1987 House Bill No. 2467.

HB 2609, by Committee on Appropriations: An act concerning the Kansas civil service act; relating to certain officers and employees in the unclassified service thereunder amending K.S.A. 1986 Supp. 75-2935 and repealing the existing section.

HB 2610, by Committee on Appropriations: An act relating to prints of paintings selected for the Kansas wildlife art series; amending K.S.A. 1986 Supp. 74-7904 and repealing the existing section.

HB 2611, by Committee on Appropriations: An act concerning crimes and punishments; relating to mistreatment of detained or confined mentally retarded persons; amending K.S.A. 21-3425 and repealing the existing section.

HB 2612, by Committee on Taxation: An act relating to property taxation; exempting certain aircraft therefrom; amending section 1 of 1987 House Bill No. 2169 and repealing the existing section.

HB 2613, by Committee on Taxation: An act concerning the Kansas administrative procedure act; relating to the application thereof; amending K.S.A. 65-3011, as amended by section 199 of 1987 Senate Bill No. 334 and K.S.A. 1986 Supp. 77-502, as amended by

section 1 of 1987 Senate Bill No. 334, 77-503, as amended by section 2 of 1987 Senate Bill No. 334, 77-508, as amended by section 3 of 1987 Senate Bill No. 334, 77-513 and 77-537 and repealing the existing sections; also repealing section 355 of 1987 Senate Bill No. 334.

HB 2614, by Committee on Appropriations: An act concerning the adult care home licensure act; placing certain restrictions on the development of such homes; amending K.S.A. 39-926a and repealing the existing section.

HB 2615, by Committee on Appropriations: An act concerning alcoholic liquor; amending K.S.A. 41-308, as amended by 1987 House Bill No. 2043, and K.S.A. 41-2622, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and repealing the existing sections; revising and amending K.S.A. 41-2614, as repealed by 1987 House Substitute for Substitute for Senate Bill No. 141 and by chapter 174 of the 1985 Session Laws of Kansas and repealing the revised section; also repealing K.S.A. 41-2801 through 41-2804, K.S.A. 41-308, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, K.S.A. 41-2614, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and K.S.A. 41-2633a, as amended by 1987 Senate Bill No. 318.

HB 2616, by Committee on Appropriations: An act concerning the Kansas public employees retirement system; relating to employment following retirement for certain members; amending K.S.A. 1986 Supp. 74-4937 and repealing the existing section.

HB 2617, by Committee on Appropriations: An act concerning the department of corrections; relating to pre-release programs and centers; amending K.S.A. 1986 Supp. 75-52,117 and repealing the existing section.

HB 2618, by Committee on Taxation: An act relating to fish and game; amending K.S.A. 32-104m, as amended by section 3 of 1987 House Bill No. 2068, and repealing the existing sections; also repealing K.S.A. 32-104m, as amended by section 1 of 1987 House Bill No. 2067, and K.S.A. 32-401, as amended by section 2 of 1987 House Bill No. 2091.

HB 2619, by Committee on Taxation: An act relating to income taxation; defining internal revenue code; amending K.S.A. 79-32,109, as amended by section 31 of 1987 House Bill No. 2043, and K.S.A. 1986 Supp. 79-32,182, as amended by section 1 of 1987 Senate Bill No. 68, and repealing the existing sections; also repealing K.S.A. 79-32,109, as amended by section 1 of 1987 House Bill No. 2211, and K.S.A. 1986 Supp. 79-32,182, as amended by section 4 of 1987 House Bill No. 2211.

HB 2620, by Committee on Appropriations: An act concerning the department of social and rehabilitation services; relating to medical assistance; requiring notice to health care providers prior to certain reductions therein.

HB 2621, by Committee on Federal and State Affairs: An act amending the Kansas pari-mutuel racing act; relating to organization licensees; amending section 13 of 1987 House Bill No. 2044 and repealing the existing section.

Senate Bills

SB 431, by Committee on Ways and Means: An act concerning the department of human resources; relating to administrative law judges of the division of workers' compensation; amending K.S.A. 75-5708 and repealing the existing section.

SB 432, by Committee on Ways and Means: An act concerning the pharmacy act of the state of Kansas; amending K.S.A. 1986 Supp. 65-1626, as amended by section 5 of 1987 Senate Bill No. 113, 65-1631, 65-1632, 65-1642 and 65-1645 and repealing the existing sections.

SB 433, by Committee on Ways and Means: An act making and concerning appropriations for the fiscal years ending June 30, 1987, and June 30, 1988; authorizing certain transfers and fees, imposing certain restrictions and limitations and directing or authorizing certain receipts, disbursements, capital improvements and acts incidental to the foregoing; amending K.S.A. 44-716a and section 19 of 1987 House Bill No. 2272 and repealing the existing sections.

SB 434, by Committee on Ways and Means: An act amending the uniform consumer credit code; concerning notice of change of finance charge; amending K.S.A. 1986 Supp. 16a-3-204 and repealing the existing section.

SB 435, by Committee on Ways and Means: An act concerning scholarships available to medical students; concerning repayment of certain amounts; amending K.S.A. 1986 Supp. 76-376 and repealing the existing section.

SB 436, by Committee on Ways and Means: An act concerning water districts; relating to lands annexed by cities; amending K.S.A. 1986 Supp. 12-527 and repealing the existing section.

SB 437, by Committee on Ways and Means: An act concerning the Kansas turnpike authority; relating to certain powers.

SB 438, by Committee on Ways and Means: An act concerning motor vehicles; relating to docket fees; amending K.S.A. 1986 Supp. 8-2107, as amended by section 1 of 1987 Senate Bill No. 193, and repealing the existing section; also repealing K.S.A. 1986 Supp. 8-2107, as amended by section 1 of 1987 Senate Bill No. 289.

SB 439, by Committee on Ways and Means: An act amending the Kansas venture capital company act; concerning tax credits for investments in certified Kansas venture capital companies; amending K.S.A. 1986 Supp. 74-8304, as amended by section 2 of 1987 Senate Bill No. 243, and repealing the existing section.

SB 440, by Committee on Ways and Means: An act concerning controlled substances; prohibiting certain acts with regard thereto and providing penalties for violations; amending K.S.A. 1986 Supp. 65-4127b, as amended by 1987 House Bill No. 2187, and repealing the existing section.

SB 441, by Committee on Ways and Means: 0005An act concerning civil procedure; amending K.S.A. 60-230, as amended by 1987 Senate Bill No. 53, and K.S.A. 1986 Supp. 60-2410, as amended by 1987 House Bill No. 2253, and repealing the existing sections; also repealing K.S.A. 60-230, as amended by 1987 House Bill No. 2258, and K.S.A. 1986 Supp. 60-2410, as amended by 1987 Senate Bill No. 188.

SB 442, by Committee on Ways and Means: An act amending the health care provider insurance availability act; amending K.S.A. 40-3401, as amended by section 1 of 1987 Senate Bill No. 36, 40-3401, as amended by section 1 of this act, and 40-3403, as amended by section 2 of 1987 Senate Bill No. 379, and repealing the existing sections; also repealing K.S.A. 40-3401, as amended by section 1 of 1987 Senate Bill No. 379, 40-3401, as amended by section 1 of 1987 House Bill No. 2418, and 40-3403, as amended by section 2 of 1987 House Bill No. 2418.

Resolutions

HCR 5032, by Representative Knopp: A concurrent resolution relating to the 1987 regular session of the legislature, and providing for the adjournment thereof.

HR 6121, by Representative Neufeld: A resolution congratulating and commending the Spearville High School girls' basketball team and its coach, Brian Hogan, on winning the 1987 Class 1A State Basketball Championship in Kansas.

HR 6122, by Representative Mollenkamp: A resolution congratulating and commending the City of Ransom on its Centennial anniversary.

HR 6123, by Representative Mollenkamp: A resolution congratulating and commending the City of Oakley and Logan County on their Centennial anniversaries.

HR 6124, by Representative Mollenkamp: A resolution congratulating and commending the City of Brownell on its Centennial anniversary.

HR 6125, by Representative Mollenkamp: A resolution congratulating and commending the City of Russell Springs on its Centennial anniversary.

HR 6126, by Representative Wisdom: A resolution congratulating and commending the 100th anniversary of *The Record* of Argentine, Kansas.

HR 6127, by Representative Snowbarger: A resolution congratulating and commending Tomahawk Elementary School, Olathe, Kansas, on being presented the Excellence in Education Award.

HR 6128, by Representatives Snowbarger and Brown: A resolution congratulating and commending Indian Trail Junior High School, Olathe, Kansas, on being nominated for the Secondary School Recognition Program.

HR 6129, by Representative Russell: A resolution congratulating and commending Field Kindley Memorial High School on its 100th graduating class.

HR 6130, by Representative Roenbaugh: A resolution congratulating and commending the City of Hudson on its Centennial anniversary.

(continued)

HR 6131, by Representative Smith: A resolution congratulating and commending the City of Denison on its Centennial anniversary.

HR 6132, by Representative Lacey: A resolution commending Eugene Burke on his years of service as Superintendent of Schools at Oswego.

HR 6133, by Representative Empton: A resolution congratulating the City of Independence on being selected "City of the Year" and commending Independence Industries, Inc. for their efforts to make the award possible.

HR 6134, by Representatives Blumenthal, Acheson, Adam, Amos, Apt, Aylward, Baker, Barkis, Barr, Beauchamp, Bowden, Braden, Brady, Branson, Brown, Bryant, Buehler, Bunten, C. Campbell, K. Campbell, Charlton, Chronister, Cribbs, Crowell, Crumbaker, Dean, Dillon, Douville, Duncan, Dyck, Empton, Flottman, Foster, Francisco, Freeman, Fry, Fuller, Gjerstad, Goossen, Graeber, Green, Gross, Grotewiel, Guldner, Hamm, Harder, Harper, Hassler, Heinemann, Helgerson, Hensley, Holmes, Hoy, Jenkins, Johnson, Justice, Kennard, King, Kline, Knopp, Lacey, Laird, Larkin, Leach, Littlejohn, Long, Love, Lowther, Mainey, Mead, D. Miller, R. D. Miller, R. H. Miller, Mollenkamp, Moomaw, O'Neal, Ott, Patrick, Peterson, Pottorff, Ramirez, Reardon, Rezac, Roe, Roenbaugh, Rolfs, Roper, Rosenau, Roy, Sader, Sallee, Sand, Sawyer, Schauf, Sebelius, Shallenburger, Shore, Shriver, Sifers, Smith, Snowbarger, Solbach, Spaniol, Sprague, Sughrue, Sutter, Teagarden, Turnquist, Vancrum, Wagon, Walker, Webb, Weimer, Wells, Whiteman, Wilbert, Williams, Wisdom and Wunsch: A resolution commending Dr. Robert C. Harder for his distinguished service to the State of Kansas.

HR 6135, by Representative Brown: A resolution congratulating and commending Blue Valley Middle School, Stanley, Kansas, on being nominated for the Secondary School Recognition Program.

HR 6136, by Representative Buehler: A resolution congratulating and commending the City of Clafin on its Centennial anniversary.

HR 6137, by Representative C. Campbell: A resolution congratulating the City of Lucas on its Centennial anniversary.

HR 6138, by Representatives Bideau and Chronister: A resolution congratulating and commending Roy French for his efforts and dedication which have brought honor and national attention to Springer Spaniels from the great State of Kansas.

HR 6139, by Representative Mollenkamp: A resolution congratulating and commending the City of Utica on its Centennial anniversary.

HR 6140, by Representative Mead: A resolution congratulating and commending the City of Pawnee Rock on its Centennial anniversary.

HR 6141, by Representative Pottorff: A resolution congratulating and commending Harry O. Lytle, Jr., on being named an Alumni Fellow of the College of Business at Kansas State University.

HR 6142, by Representative Snowbarger: A resolution congratulating and commending the American Industrial Arts Student Association at Pioneer Trail Junior High School.

HR 6143, by Representative Eckert: A resolution congratulating and commending Carol Armstrong, Outstanding Theatre Teacher/Director for 1987.

HR 6144, by Representative Shallenburger: A resolution honoring Lee E. "Bud" Johnson on his retirement from Baxter Springs High School.

HR 6145, by Representatives Pottorff, Baker, Bowden, Cribbs, Dean, Duncan, Foster, Francisco, Fuller, Gjerstad, Grotewiel, Helgerson, Kennard, Sawyer, Schauf, Spaniol, Webb, and Williams: A resolution congratulating and commending the Wichita State University Men's Bowling Team on winning the national championship and the Women's Bowling Team on winning fourth place in the nation at the 1987 National Collegiate Bowling Championship.

HR 6146, by Representative Schauf: A resolution honoring John Nix on his retirement from teaching in the Mulvane, Kansas, school system.

HR 6147, by Representative D. Miller: A resolution congratulating and commending the City of Gardner on its Centennial anniversary.

HR 6148, by Representatives Whiteman, Harder, O'Neal and Wunsch: A resolution commending Bea Wilson for her services to the Hutchinson community through the Displaced Homemaker Center.

HR 6149, by Representative Crumbaker: A resolution congratulating and commending Sherman County on its Centennial Anniversary.

SCR 1612, by Senators Talkington, Burke and Johnston: A concurrent resolution congratulating and commending 24 Kansas artists selected for the exhibition entitled "A Kansas Collection."

SR 1887, by Senator Arasmith: A resolution congratulating and commending the City of Agra on its Centennial anniversary.

SR 1888, by Senator Gannon: A resolution congratulating and commending Sherman County on its Centennial anniversary.

SR 1889, by Senator Ehrlich: A resolution congratulating and commending the City of Clafin on its Centennial anniversary.

SR 1890, by Senator Ehrlich: A resolution congratulating the City of Lucas on its Centennial anniversary.

SR 1891, by Senator Ehrlich: A resolution congratulating and commending the City of Bushton on its Centennial anniversary.

SR 1892, by Senator Ehrlich: A resolution congratulating and commending the City of Pawnee Rock on its Centennial anniversary.

SR 1893, by Senator Ehrlich: A resolution congratulating and commending the City of Geneseo on its Centennial anniversary.

SR 1894, by Senator Hoferer: A resolution congratulating and commending the Church of the Assumption of the Blessed Virgin Mary of Topeka, Kansas, on its 125th anniversary.

SR 1895, by Senators Daniels and Vidricksen: A resolution proclaiming the week of May 10 through May 16, 1987, as "Small Business Week."

SR 1896, by Senator Vidricksen: A resolution congratulating and commending Gale Young, Jr., Matt Marvin, Jong Kim, Brad Powell and Chris Smith, and their teacher, Kent E. Wagner, for their participation and efforts in the 1987 Duracell Scholarship Competition.

SR 1897, by Senators Karr, Allen, Anderson, Arasmith, Bogina, Bond, Burke, Daniels, Doyen, Ehrlich, Felecciano, Francisco, Frey, Gaines, Gannon, Gordon, Harder, Hayden, Hoferer, Johnston, D. Kerr, F. Kerr, Langworthy, Martin, Montgomery, Morris, Mulich, Norvell, Parrish, Reilly, Salisbury, Steineger, Strick, Talkington, Thiessen, Vidricksen, Warren, Werts, Winter and Yost: A resolution commending Dr. Robert C. Harder for his distinguished service to the State of Kansas.

SR 1898, by Senator Vidricksen: A resolution congratulating and commending Jason Vishnefske on being named a Star Spangled Student.

SR 1899, by Senator Vidricksen: A resolution proclaiming the week beginning May 17, 1987, as Kansas Tourism Week.

SR 1900, by Senator Gordon: A resolution congratulating and commending the City of Denison on its Centennial anniversary.

SR 1901, by Senator Arasmith: A resolution congratulating and commending the City of Kensington on its Centennial anniversary.

SR 1902, by Senator Ehrlich: A resolution congratulating and commending LaVern and Joyce Karst of the Seventh District Veterans of Foreign Wars and Auxiliary.

SR 1903, by Senator Ehrlich: A resolution commending State President Mildred Bilbrey and the Ladies Auxiliary to the Veterans of Foreign Wars of the United States.

SR 1904, by Senator Ehrlich: A resolution congratulating and commending Warren J. Cooksey as Department Vice-Commander of the American Legion.

SR 1905, by Senator Ehrlich: A resolution congratulating and commending Carolyn Bailey as President of the American Legion Auxiliary for the State of Kansas.

SR 1906, by Senator Hayden: A resolution congratulating and commending Stanton County on its Centennial anniversary.

SR 1907, by Senator Gordon: A resolution congratulating and commending Bendena, Kansas, on its Centennial anniversary.

SR 1908, by Senator Vidricksen: A resolution memorializing Congress to take action on House Resolution 1242 relating to the collection of sales and use taxes on out-of-state mail order sales.

SR 1909, by Senator Allen: A resolution congratulating and commending the City of Gardner on its Centennial anniversary.

State of Kansas

SOCIAL AND REHABILITATION SERVICES STATE ECONOMIC OPPORTUNITY OFFICE

REQUEST FOR APPLICATIONS FOR WEATHERIZATION ASSISTANCE PROGRAM SUBGRANTEE

In accordance with the Department of Energy regulations dated January 27, 1984, Part VI, Section 440.15, the State Economic Opportunity Office, a section of Adult Services within the Department of Social and Rehabilitation Services, is accepting applications from public or private nonprofit organizations until June 12 for the purpose of identifying a Weatherization Assistance Program subgrantee to operate the program encompassing a 12-county area including: Rush, Barton, Pawnee, Stafford, Edwards, Kiowa, Pratt, Comanche, Barber, Kingman, Harper and Sumner. The Weatherization Assistance Program provides weatherization services at no cost to eligible low income, elderly, and handicapped persons.

Written requests for applications should be sent no later than June 1 to the State Economic Opportunity Office, 100 N.E., Biddle Building, 2700 S.W. 6th, Topeka 66606.

LOIS A. MARTIN
Administrator

Doc. No. 005378

(Published in the KANSAS REGISTER, May 14, 1987.)

NOTICE OF BOND SALE \$540,000 Internal Improvement Bonds Series V City of Hays, Kansas (general obligations payable from unlimited ad valorem taxes)

Pursuant to K.S.A. 10-106 as amended, written sealed bids will be received by the city clerk of the city of Hays, Kansas, in the office of the City Clerk, City Hall, P.O. Box 490, Hays, KS 67601, until 7:30 p.m. C.D.T. on Thursday, May 28, 1987, at which time and place said bids will be publicly opened and read aloud for the purchase of \$540,000 aggregate principal amount of general obligation internal improvement bonds, Series V. All bids received will be reported to the city commission for determination of the best bid at a meeting of the commission to be held at said time, date and place.

Details of the Bonds

The bonds will consist of an issue of \$540,000 principal amount of general obligation internal improvement bonds, Series V. The bonds will consist of fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof, dated June 1, 1987, and becoming due serially on September 1 of each year in the principal amounts as follows:

\$55,000—September 1, 1988 to 1995, inclusive
50,000—September 1, 1996 and 1997

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

March 1 and September 1 of each year, beginning March 1, 1988.

Both principal and interest on the bonds will be payable in lawful money of the United States of America at the office of the Kansas State Treasurer, 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 bonds will be registered in the office of the Kansas State Treasurer pursuant to a plan of registration approved by the city and the Attorney General of the State of Kansas, registered as either fully registered certificated bonds or uncertificated bonds. The successful bidder (the purchaser) may express his preference and the city will honor the successful purchaser's preference regarding the plan of registration.

The city will pay for all initial registration costs and for printing of a reasonable supply of registered bond blanks as determined by the registrar and paying agent. Any additional costs or fees that might be incurred in the secondary market will be the responsibility of the bondholder.

The type and denomination 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 city by July 15, 1987.

Redemption of Bonds

None of said bonds shall be callable for redemption prior to its stated maturity.

Authority, Purpose and Security for the Bonds

The bonds are being issued pursuant to and in full compliance with the constitution and laws of the state of Kansas, for the purpose of paying the cost of certain street and airport improvements.

General obligation internal improvement bonds, Series V, will be general obligations of the city, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount on all the taxable tangible property within the city.

Condition of Bids

Bids 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 maturing in the same year. No interest rate shall exceed a rate equal to the 20 bond index of tax-exempt municipal bonds published by Credit Markets in New York, New York, on Monday next preceding the day on which the bonds are sold, plus 2 percent, and the difference between the highest and lowest rate specified in any bid shall not exceed 2 percent. No bid of less than the principal amount of the bonds plus accrued interest thereon to the date of their delivery will be considered. Each bid shall specify the total interest cost to the city on the basis of such bid and the average annual net interest rate on the basis of such bid.

Basis of Award

The award of the bonds shall be made on the basis

of the lowest net interest cost to the city, which shall be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the city. If there is any discrepancy between said 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 which provide for identical amounts for the lowest net interest cost are received, the city shall determine which bid, if any, shall be accepted, and its determination shall be final.

Delivery of and Payment for the Bonds

The city will pay for printing and registering 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 located in the contiguous United States of America, as may be specified by the successful bidder, without cost to the successful bidder. Payment for the bonds shall be made in federal reserve funds or other funds which shall be available to the city on the same day the bonds are delivered to the successful bidder. The successful bidder will be furnished with a certified transcript 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 the delivery of the bonds affecting their validity.

Tax Reform Act of 1986

The Tax Reform Act of 1986, H.R. 3838, became effective on October 22, 1986. The provisions of the Act relating to obligations of state and local governments would generally be effective for obligations issued after August 15, 1986. Certain of these provisions would impose requirements which must be met subsequent to the issuance and delivery of such obligations, including the bonds, in order for the interest thereon to remain exempt from federal income taxation. The city will covenant to comply with the provisions of the Act and all other applicable federal law, regulations, published rulings and court decisions, in order to preserve the tax-exempt status of the bonds, to the extent such actions can be taken by the governing body of the city. The failure of the city to comply with such covenants could adversely affect the tax-exempt status of the bonds. The purchaser of the bonds should be aware that in such event, the bonds are not callable, nor will the interest rate on the bonds be adjusted to reflect the loss of federal tax exemption.

The Act subjects interest on certain obligations, such as the bonds, in the adjusted net book income of certain corporations for taxable years after 1986 and would include in the calculation of alternative minimum taxable income 50 percent of the excess of a corporation's adjusted net book income (determined without regard to this adjustment and prior to reduction for certain net operating losses). In addition, the Act provides that banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing or carrying tax-exempt obligations (with

(continued)

certain exceptions) if such interest costs are incurred in taxable years ending after December 31, 1986, with respect to bonds acquired after August 7, 1986.

The Act provides that property and casualty insurance companies would be required for taxable years beginning on or after January 1, 1986 to reduce the amount of their deductible underwriting losses by a percentage of the amount of tax-exempt interest received or accrued on obligations acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income.

Superfund Amendments and Reauthorization Act of 1986

H.R. 2005, the Superfund Amendments and Reauthorization Act of 1986, which was enacted on October 17, 1986, includes among its provisions the imposition of a new environmental tax. Calculation of the tax is to be based generally on a percentage of the corporate alternative minimum taxable income as defined in the 1986 code which would include interest on tax-exempt obligations, including the bonds. The amount of tax is equal to 0.12 percent of the excess of the alternative deduction for the environmental tax over \$2 million. The environmental tax is imposed whether or not the taxpayer is subject to the alternative minimum tax, but is deductible from gross income. The environment tax is effective for taxable years beginning after 1991. The imposition of this environmental tax could result in additional taxation of interest on the bonds for certain bondowners.

With respect to Section 902 of the act relating to interest incurred by financial institutions (banks and thrift institutions) to carry tax-exempt bonds, the city intends to designate the bonds as qualified project bonds (qualified tax exemptions) for purposes of Section 902(b)(3) of the act. The city does not intend to issue bonds in excess of \$10,000,000 during this calendar year.

Legal Opinion and Tax Exemption

The bonds will be sold subject to the legal opinion of Fred W. Rausch, Jr., Topeka, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the city, printed on the bonds and delivered to the successful bidder as and when the bonds are delivered. Said opinion will state that in the opinion of bond counsel, under existing law and subject to the assumptions and limitations contained therein, the interest on the bonds is exempt from federal income taxation, and the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships.

CUSIP Numbers

It is anticipated the CUSIP identification numbers will be printed on certificated bonds or assigned to uncertificated bonds, but neither the failure to print such number on 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 successful bid and this notice of bond sale. All expenses

in relation to the assignment and printing of CUSIP numbers on the bonds will be paid for by the city.

Good Faith Deposit

Each bid must be accompanied by a good faith deposit in the form of a cashier's certified check drawn on a bank located in the United States of America in the amount of 2 percent of the total par value of the bonds, made payable to the order of the Treasurer of the City of Hays, Kansas, to secure the city from any loss resulting from the failure of the bidder to comply with the terms of the bid. No interest will be paid on the deposit made by the successful bidder. Said check will be returned to the bidder if the bid is not accepted. If a bid is accepted, said check may be deposited by the city or held by the city until the bidder has complied with all the terms and conditions of this notice, at which time the check will be deposited and credited to the order of the bidder. If a bid is accepted, but the city shall fail to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check of the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder shall default in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the city as and for liquidated damages.

Bid Forms

All bids shall be subject to the terms and conditions contained in this notice of bond sale and must be made on the bid forms which may be obtained from the city clerk, or upon equivalent forms. No additions or alterations may be made to such forms and any erasures may cause rejection of any bid. The city reserves the right to waive irregularities and to reject any and all bids.

Submission of Bids

Bids must be submitted in sealed envelopes and addressed to the undersigned, City Clerk, City Hall, P.O. Box 490, Hays, KS 67601, and marked "Bid For the Purchase of Bonds." Bids may be submitted by mail or delivered in person, and must be received by the undersigned prior to 7:30 p.m. C.D.T., on May 28, 1987.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city for the year 1987 is \$49,022,353. In addition, the motor vehicle valuation is \$13,006,969. The total general obligation bonded indebtedness of the city as of May 1, 1987 was \$6,875,000, with \$735,000 budgeted yet to be paid in 1987.

Bond Ratings

The outstanding general obligation bonds of the city have not been rated and the city has not applied for a rating on the bonds herein offered for sale.

Dated May 12, 1987.

Dorothy Soderblom
City Clerk
Hays, KS 67601
(913) 625-3465

(Published in the KANSAS REGISTER, May 14, 1987.)

**NOTICE OF BOND SALE
\$1,375,000**

**General Obligation School Building Bonds
Series 1987
of Unified School District 303
Ness County, Kansas (Ness City)**

Date, Time and Place of Receiving Bids

The Board of Education of Unified School District 303, Ness County, Kansas (Ness City), will receive sealed bids at the district's central offices at 414 E. Chestnut, Ness City, until 8 p.m. C.D.T. on Monday, June 1, 1987, for \$1,375,000 par value general obligation school building bonds, Series 1987, of the district, at which time and place the Board of Education will meet to publicly open the bids. No oral or auction bids will be considered.

Description of the Bonds

The Series 1987 bonds will be dated as of June 1, 1987 and shall mature on October 1 in each of the years and in the amounts set forth below. The bonds shall consist of fully registered certificated bonds in denominations of \$5,000 or integral multiples thereof not exceeding the principal amount of bonds maturing in each year. Interest on the bonds will be payable semiannually on each April 1 and October 1, commencing April 1, 1988. The principal of, and premium, if any, on the bonds shall be payable in lawful money of the United States of America at the principal office of the Kansas State Treasurer (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 mailing of check or draft of the paying agent to the registered owners thereof as their names appear on the registration books of the district 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 district.

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

Principal Amount	Maturity Date
\$ 30,000	October 1, 1988
35,000	October 1, 1989
35,000	October 1, 1990
40,000	October 1, 1991
40,000	October 1, 1992
45,000	October 1, 1993
50,000	October 1, 1994
55,000	October 1, 1995
55,000	October 1, 1996
60,000	October 1, 1997
65,000	October 1, 1998
70,000	October 1, 1999
75,000	October 1, 2000
80,000	October 1, 2001
90,000	October 1, 2002
95,000	October 1, 2003
100,000	October 1, 2004
110,000	October 1, 2005
120,000	October 1, 2006
125,000	October 1, 2007

Redemption of Bonds

Bonds maturing October 1, 1988 through October 1, 1996, inclusive, are noncallable.

Bonds maturing October 1, 1997 and thereafter are callable at the option of the district prior to the stated maturities thereof, in whole or in part and in inverse numerical order, on any interest payment date on and after October 1, 1996 (the date being so set for redemption and payment being referred to as the redemption date) at the following redemption prices (expressed as a percentage of the principal amount thereof), plus accrued interest to the redemption date:

Redemption Dates	Redemption Prices
October 1, 1996 to April 1, 2003	101.00%
October 1, 2003 and thereafter	100.50%

Notice of any call for redemption and payment shall be given in writing to the bond registrar and paying agent not less than 60 days before the redemption date, and the bond registrar and paying agent shall give written notice of such redemption to the registered owners of the bonds not less than 30 days before the redemption date. Notice of any call for redemption and payment shall also be published one time in the official newspaper of the state of Kansas and in a newspaper of general circulation in the district not less than 30 days before the redemption date.

Prior to the redemption date, the district shall deposit with the paying agent sufficient funds to pay the bonds so called at the purchase price set forth above and all unpaid and accrued interest thereon to the redemption date. Upon the deposit of said funds, and the giving of notice in the form and manner hereinbefore specified, bonds thus called for redemption shall cease to bear interest from and after the redemption date.

Interest Rate

Proposals will be received on 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 1/8 or 1/20 of 1 percent. 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 Credit Markets in New York, New York, on the Monday next preceding the date on which the bonds are sold, plus 2 percent, 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 district and shall be addressed to: Board of Education, Unified School District 303, 414 E. Chestnut, Ness City, KS 67560, Attention: Aylene K. Barrett, 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 Board of Education will be entitled to rely on the certificate of cor-

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rectness of the bidder. Each bid must be accompanied by a certified or cashier's check equal to 2 percent of the total amount of the bid, and shall be payable to: "Treasurer, Unified School District 303." In the event a bidder whose bid is accepted shall fail to carry out his contract of purchase, said deposit shall be retained by the district as liquidated damages. The checks of unsuccessful bidders will be promptly returned.

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 Board of Education reserves the right to reject any and all 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 district, and the net interest cost will be determined by deducting the amount of any premium paid from the aggregate amount of interest upon all of the bonds from their date until their respective maturities.

Delivery of the Bonds

The bonds, duly printed, executed and registered, will be furnished and paid for by the district, and the bonds will be sold subject to the approving opinion of Hinkle, Eberhart, Elkouri & Jensen, bond counsel, of Wichita, Kansas. The number, denomination of bonds, and the 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 Monday, June 15, 1987. The purchaser will be furnished with a complete transcript of proceedings evidencing authorization and issuance of the bonds and shall also be furnished with 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 Tuesday, June 30, 1987, at any bank in the state of Kansas or in the city of Kansas City, Missouri, at the expense of the district. Delivery elsewhere will be made at the expense of the purchaser.

The Internal Revenue Code of 1986

The Internal Revenue Code of 1986 was signed into law by the President of the United States on October 22, 1986. The provisions of the code relating to obligations of state and local governments would generally be effective for obligations issued after August 15, 1986. Certain of these provisions would impose requirements which must be met subsequent to the issuance and delivery of such obligations, including the bonds, in order for the interest thereon to remain exempt from federal income taxation. The Board of Education will covenant to comply with the provisions of the code and all other applicable federal laws, regulations, published rulings and court decisions, in order to preserve the tax-exempt status of the bonds to the extent such actions can be taken by it. Failure of the Board of Education to comply with such covenants could adversely affect the tax-exempt status of the

bonds. A purchaser of the bonds should be aware that in such event, the bonds are not callable, nor will the interest rate on the bonds be adjusted to reflect the loss of federal tax exemption.

The code includes interest on certain obligations, such as the bonds, in the adjusted net book income of certain corporations for taxable years after 1986 and would include in the calculation of alternative minimum taxable income, 50 percent of the excess of a corporation's adjusted net book income over its pre-book alternative taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). In addition, the code provides that banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing or carrying tax-exempt obligations (with certain exceptions described below) if such interest costs are incurred in taxable years ending after December 31, 1986 with respect to bonds acquired after August 7, 1986. The code provides that certain "qualified tax-exempt obligations" as defined in Section 265(b)(3) will be treated as having been acquired on August 7, 1986. The Board of Education will covenant to take such action as is necessary to designate the bonds as "qualified tax-exempt obligations" as described above.

The code provides that property and casualty insurance companies would be required for taxable years beginning on or after January 1, 1986 to reduce the amount of their deductible underwriting losses by a percentage of the amount of tax-exempt interest received or accrued on obligations acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income.

Superfund Amendments and Reauthorization Act of 1986

H.R. 2005, the Superfund Amendments and Reauthorization Act of 1986, which was enacted on October 17, 1986, includes among its provisions the imposition of a new environmental tax. Calculation of the tax is to be based generally on a percentage of the corporate alternative minimum taxable income as defined in the 1986 code which would include interest on tax-exempt obligations, including the bonds. The amount of tax is equal to 0.12 percent of the excess of the alternative minimum taxable income (without regard to net operating losses and the deduction for the environmental tax) over \$2 million. The environmental tax is imposed whether or not the taxpayer is subject to the alternative minimum tax, but is deductible from gross income. The environmental tax is effective for taxable years beginning after 1991. The imposition of this environmental tax could result in additional taxation of interest on the bonds for certain bondowners.

Legal Opinion

Bids for the bonds shall be conditioned upon the approving opinion of Hinkle, Eberhart, Elkouri & Jensen, bond counsel, Wichita, Kansas, a copy of which opinion will be printed on the reverse side of each bond, and a manually signed original will be

(Published in the KANSAS REGISTER, May 14, 1987.)

NOTICE OF REDEMPTION
City of Onaga, Kansas
Industrial Revenue Bonds
Series 1977
(Blue Water Cable, Inc.)

Notice is hereby given that pursuant to Section 3 of Ordinance No. 466 of the city of Onaga, Kansas, passed and approved on June 7, 1977, there will be redeemed on June 15, 1987 all bonds maturing after June 15, 1987 (bonds 44 to 75 in the denomination of \$1,000 each) at a redemption price of 101 percent of the principal amount thereof, plus accrued interest thereon to said redemption date.

On June 15, 1987, all bonds will be due and payable at the Exchange Bank of Schmidt & Koester, Marysville, Kansas. All coupons maturing subsequent to June 15, 1987 must be attached and surrendered with said bonds. From and after June 15, 1987, interest on the aforesaid bonds will cease to accrue.

Dated May 4, 1987.

Exchange Bank of Schmidt & Koester
 Trustee and Paying Agent
 823 Broadway, P.O. Box 311
 Marysville, KS 66508

Doc. No. 005370

(Published in the KANSAS REGISTER, May 14, 1987.)

NOTICE OF REDEMPTION
City of Waterville, Kansas
Industrial Revenue Bonds
Series 1977
(Blue Water Cable, Inc.)

Notice is hereby given that pursuant to Section 3 of Ordinance No. 419 of the city of Waterville, Kansas, passed and approved on June 13, 1977, there will be redeemed on June 15, 1987 all bonds maturing after June 15, 1987 (bonds 44 to 75 in the denomination of \$1,000 each) at a redemption price of 101 percent of the principal amount thereof, plus accrued interest thereon to said redemption date.

On June 15, 1987, all bonds will be due and payable at the Exchange Bank of Schmidt & Koester, Marysville, Kansas. All coupons maturing subsequent to June 15, 1987 must be attached and surrendered with said bonds. From and after June 15, 1987, interest on the aforesaid bonds will cease to accrue.

Dated May 4, 1987.

Exchange Bank of Schmidt & Koester
 Trustee and Paying Agent
 823 Broadway, P.O. Box 311
 Marysville, KS 66508

Doc. No. 005371

furnished without expense to the purchaser of the bonds on delivery thereof. The cost of this legal opinion and the expense of printing the bonds and legal opinion will be paid by the district. The legal opinion will state in part that the bonds will constitute general obligations of the district, 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 district; and that, under existing laws and regulations, subject to the assumptions and limitations contained therein, 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.

Reference is made to the preceding section entitled "The Internal Revenue Code of 1986."

Purpose of Issue

The bonds are being issued for the purpose of paying a portion of the costs of constructing, furnishing and equipping an elementary school building in the district, pursuant to the authority of K.S.A. 72-6761 *et seq.*, as amended and supplemented, and as approved by the voters on April 7, 1987.

CUSIP Identification Numbers

CUSIP identification numbers will be printed on the bonds. All expenses in relation to printing of said CUSIP numbers and the expenses of the CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by the district.

Assessed Valuation

Assessed valuation figures for Unified School District 303, Ness County, Kansas (Ness City), for the year 1986, are as follows:

Assessed valuation of taxable tangible property	\$23,587,486
Taxable value of motor vehicles	<u>2,229,467</u>
Equalized assessed tangible valuation for computation of bonded debt limitations	\$25,816,953

Bonded Indebtedness

The total outstanding general obligation indebtedness of Unified School District 303, Ness County, Kansas (Ness City), at the date hereof, includes only this proposed \$1,375,000 issue of bonds.

Official Statement

Additional copies of this notice of bond sale, copies of the district's official statement relating to the bonds, or further information may be received from the office of the clerk of the district, 414 E. Chestnut, Ness City, KS 67560, (913) 798-2210, or from the district's financial consultant, Stifel, Nicolaus & Co., Incorporated, 111 S. Main, Wichita, KS 67202, (316) 264-6321.

Dated April 9, 1987.

BOARD OF EDUCATION
 UNIFIED SCHOOL DISTRICT 303
 NESS COUNTY, KANSAS (NESS CITY)

By Aylene K. Barrett, Clerk

Doc. No. 005364

(Published in the KANSAS REGISTER, May 14, 1987.)

SENATE BILL No. 47

AN ACT relating to the state legislature; concerning compensation and expense allowances of members of the legislature; amending K.S.A. 46-137a and 46-137b, as amended by section 2 of 1987 House Bill No. 2072, and repealing the existing sections.

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

Section 1. K.S.A. 46-137a is hereby amended to read as follows: 46-137a. In addition to the compensation provided for by K.S.A. 46-137b, 46-137e and 75-3212 and amendments thereto, each member of the legislature shall receive the following amounts:

(a) The sum of ~~\$40~~ ~~\$54~~ per calendar day for service at any regular or special session, except as otherwise provided in ~~sub-section subsections (e) and (f)~~;

(b) the sum of ~~\$50~~ ~~\$65~~ per calendar day for subsistence allowance for any regular or special session of the legislature, except that if the ~~amount amounts~~ allowable for the capital city of Kansas under applicable federal law and regulations to employees of the executive branch of the federal government for per diem expenses, while away from home but serving in the United States, ~~is an amount are amounts~~ which ~~is total~~ greater than ~~\$50~~ ~~\$65~~, then each member of the legislature shall receive such greater ~~total~~ amount per calendar day for subsistence allowance for any regular or special session of the legislature;

(c) an allowance of \$600 per calendar month, except for the months of January, February and March to defray expenses incurred between sessions of the legislature for postage, telephone, office and other incidental expenses; ~~and~~

(d) an allowance for mileage in an amount equal to the rate per mile prescribed under the provisions of K.S.A. 75-3203a and amendments thereto multiplied by the number of miles traveled by the usual route in going to and returning from the member's place of residence for any regular or special session of the legislature. Such mileage shall be paid for not to exceed the equivalent of one trip for each full week occurring between convening and adjournment sine die in any regular or special session. The mileage allowance provided under the provisions of this subsection shall be ~~fixed upon the basis of the rate prescribed by K.S.A. 75-3203a and amendments thereto but shall not~~ be subject to the restrictions relating to the use of vehicles prescribed by K.S.A. 75-3203 and 75-3203a and amendments thereto but shall only be allowed for trips actually made. Compensation and subsistence allowance shall not be allowed under the provisions of subsections (a) ~~and~~, (b) ~~and~~ (f) of this section during any period in which the legislature is adjourned for more than two days, Sundays excepted; ~~and~~

(e) whenever the rates of compensation of the pay plan for persons in the classified service under the Kansas civil service act are increased, the rate of compensation per calendar day for members of the legislature for service at any regular or special session of the legislature shall be increased ~~on the first day of the first payroll period immediately following the effective date of any such pay plan increase~~ by an amount, adjusted to the nearest dollar, computed by multiplying the average of the percentage increases in all monthly steps of such pay plan by the rate of compensation per calendar day which is ~~received pursuant to authorized by this section by members of the legislature for service at any regular or special session of the legislature and which is in effect prior to the effective date of such increase in the rates of compensation of the pay plan for persons in the classified service under the Kansas civil service act. for the day upon which such increase is computed, except that for purposes of computing an increase in the rate of compensation per calendar day based upon an increase in such pay plan which takes effect subsequent to the effective date of this act but prior to July 1, 1987, the rate of compensation per calendar day for the day upon which such increase is computed shall be the amount specified under subsection (a) and such increase shall take effect on July 1, 1987; and~~

(f) for the period commencing on January 1, 1987, and ending on June 30, 1987, the sum of \$49.50 per calendar day for service at any regular or special session.

The payments of compensation to each legislator for each calendar day for service at any regular or special session pursuant to this subsection (f) which are made for the period commencing on the effective date of this act and ending June 30, 1987, shall be adjusted on a substantially equal basis to effect the full reduction prescribed by this subsection (f). Any amount by which the compensation of a legislator is reduced pursuant to this section for the period commencing on January 1, 1987, and ending on June 30, 1987, shall continue to be included as compensation for all purposes of computing retirement and pension benefits earned by such legislator and for all purposes of computing disability or insured death and disability benefits payable to such legislator or such legislator's beneficiary.

Sec. 2. K.S.A. 46-137b, as amended by section 2 of 1987 House Bill No. 2072, is hereby amended to read as follows: 46-137b. (a) In addition to the compensation provided for by K.S.A. 46-137a and 75-3212, and amendments thereto, and any other statute, and except as otherwise provided by subsection (b):

(1) The president of the senate and the speaker of the house of representatives shall each receive an allowance in the amount of ~~\$8,285~~ ~~\$8,534~~ per annum, payable monthly, during their terms of office as speaker and president, which compensation shall be for additional services performed in connection with discharging the duties assigned to the respective positions;

(2) the speaker pro tem of the house of representatives, the vice president of the senate, the assistant majority leaders of the senate and house of representatives and the assistant minority leaders of the senate and house of representatives shall each receive an allowance in the amount of ~~\$4,228~~ ~~\$4,355~~ per annum payable monthly during their respective terms of office which compensation shall be for additional services performed in connection with discharging the duties assigned to the respective positions;

(3) the chairperson of the senate committee on ways and means and the chairperson of the house committee on appropriations shall each receive an allowance in the amount of ~~\$6,663~~ ~~\$6,863~~ per annum, payable monthly during their respective terms of office, which compensation shall be for additional services performed in connection with discharging the duties assigned to the respective positions; and

(4) the majority and minority leaders of the senate and the house of representatives shall each receive an allowance in the amount of ~~\$7,474~~ ~~\$7,698~~ per annum, payable monthly during their respective terms of office, which compensation shall be for additional services performed in connection with discharging the duties assigned to the respective positions.

(b) (1) Whenever the rates of compensation of the pay plan for persons in the classified service under the Kansas civil service act are increased, ~~for payroll periods chargeable to fiscal years commencing after June 30, 1986, the annual compensation of officers of the legislature specified in subsection (a) shall be increased on the first day of the first payroll period immediately following the effective date of any such pay plan increase by an amount, adjusted to the nearest dollar, computed by multiplying the average of the percentage increases in all monthly steps of such pay plan by the annual compensation of such officers as prescribed by subsection (a) or amounts computed in accordance with this subsection and which are in effect on the effective date of such increase in the rates of compensation of the pay plan for persons in the classified service under the Kansas civil service act for the day upon which such increase is computed.~~

(2) For the period commencing February 1, 1987, and ending on June 30, 1987, the rate of monthly compensation for officers of the legislature specified in subsection (a) shall be decreased by an amount equal to 3.8% of such monthly compensation, adjusted to the nearest dollar. After June 30, 1987, the rate of monthly compensation shall be that computed in accordance with the provisions of subsection (a) and subsection (b)(1) of this section. Monthly compensation payments made for the period commencing on the effective date of this act and ending on June 30, 1987, shall be adjusted on a substantial equal basis to effect the full reduction prescribed by this subsection (b)(2). Any amount by which the compensation of an officer of the legisla-

ture is reduced pursuant to this section for the period commencing on January 1, 1987, and ending on June 30, 1987, shall continue to be included as compensation for all purposes of computing retirement and pension benefits earned by such officer and for all purposes of computing disability or insured death or disability benefits payable to such officer or such officer's beneficiary.

Sec. 3. K.S.A. 46-137a and 46-137b, as amended by section 2 of 1987 House Bill No. 2072, are hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body February 18, 1987.

SENATE concurred in HOUSE amendments April 9, 1987.

ROBERT V. TALKINGTON
President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended March 11, 1987.

JAMES D. BRADEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED April 21, 1987.

MIKE HAYDEN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, BILL GRAVES, 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 21st day of April, 1987.

BILL GRAVES
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER, May 14, 1987.)

HOUSE BILL No. 2250

AN ACT concerning the pooled money investment board; relating to repurchase agreements; amending K.S.A. 12-3718, 12-372A, 32-104m, 40-3406, 68-2311, 74-2913, 74-4515, 75-2527, 75-4213, 75-4254, 76-818 and 76-2473 and K.S.A. 1986 Supp. 58-3066, 65-3431, 75-4205 and 79-4804 and repealing the existing sections.

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

Section 1. K.S.A. 12-3718 is hereby amended to read as follows: 12-3718. (a) The secretary of health and environment may create and establish a special fund to be known as a debt service reserve fund and may pay into such fund (1) any moneys appropriated by the state of Kansas for the purpose of such fund, (2) any proceeds derived from the sale of revenue bonds under this act to the extent provided in the resolution of the secretary of health and environment authorizing the issuance of such bonds or in the trust agreement securing the same such bonds, and (3) any other moneys transferred to the secretary of health and environment or made available to the secretary of health and environment for the purpose of such the debt service reserve fund from any other source or sources.

(b) The moneys held in or credited to such in the debt service reserve fund, except as otherwise provided in this section, shall be used solely for (1) the payment of the principal of the revenue bonds issued under this act, as the same such bonds mature, (2) the purchase of such revenue bonds, (3) the payment of interest on such revenue bonds or (4) the payment of any redemption premium required to be paid for any such bonds redeemed prior to maturity, except that moneys in such reserve fund shall not be withdrawn therefrom from the debt service

reserve fund at any time in such amount as would reduce the amount then to the credit of in such reserve fund to less than the amount which the secretary of health and environment shall determine determines to be reasonably necessary for the purposes of such reserve fund, except for the purpose of paying the principal of and the interest on the revenue bonds issued by the secretary of health and environment maturing and becoming due for the payment of which other moneys of the department of health and environment are not available.

(c) Moneys in the debt service reserve fund may be invested by the pooled money investment board (1) in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or, (2) in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, (3) if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than thirty (30) 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. Except as provided in subsections (d) and (e), any income or interest earned by or increment to the debt service reserve fund shall be credited to such reserve fund. Securities in which any moneys in the debt service reserve fund are invested shall be valued semi-annually at the then market value thereof.

(d) The pooled money investment board may enter into contracts with one or more financial advisors whom the board determines to be qualified, whereby the financial advisors undertake to perform the functions of the pooled money investment board with regard to the investment of moneys in the debt service reserve fund to the extent provided in the contract. Performance of functions under contract so entered into shall be paid for out of the gross interest or other income of the investments with respect to which the functions are performed, and the net interest or other income of the investments after that payment shall be considered income of the debt service reserve fund. The pooled money investment board shall require a financial advisor contracted with to give a fidelity bond in such sum as may be fixed by law or, if not so fixed, as may be fixed by the board, with corporate surety authorized to do business in this state.

(e) The money moneys and securities in the debt service reserve fund shall remain in the custody of the state treasurer, except that the pooled money investment board may arrange for the custody of such money moneys and securities as it considers advisable with a member bank or trust company of the federal reserve system, or with one or more banks located in the state of Kansas, or both, to be held in safekeeping by the bank or trust company or banks for the collection of the principal and interest or other income or of the proceeds of sale. The services provided by any such bank or trust company shall be paid for out of the gross receipts from such interest or other income, and the net interest or other income after such payment shall be considered income of the debt service reserve fund.

(f) The secretary of health and environment shall not issue any revenue bonds under this act at any time if the amount held for the credit of in the debt service reserve fund at the time of the issuance of such bonds shall be is less than the maximum amount required in any year thereafter to pay the principal of, including any mandatory payment to retire bonds prior to their maturity, and the interest on all revenue bonds issued under this act which are then outstanding and secured by such the debt service reserve fund unless the secretary of health and environment, at the time of the issuance of such bonds, shall deposit deposits in such reserve fund from the proceeds of such bonds or otherwise an amount which, together with the amount then in such fund, is not less than such maximum amount required to pay principal and interest.

(g) Any excess in the debt service reserve fund at the close of any fiscal year over such maximum amount required to pay principal and interest shall be remitted to the state treasurer and deposited in to the credit of the state general fund. When the

(continued)

whole amount all of the principal of and the interest and the premium, if any, on the revenue bonds, secured by the debt service reserve fund ~~is are~~ paid, all moneys held to the credit of in the debt service reserve fund shall be transferred by the director of accounts and reports from the debt service reserve fund to the self-insurance reserve fund.

(h) To assure the continued operation and solvency of the department of health and environment for carrying out the purposes of this act and the maintenance of the debt service reserve fund at the maximum amount ~~above mentioned prescribed by this section~~, there may be annually apportioned and paid to the department of health and environment ~~such the~~ sum, if any, as shall be certified by the secretary of health and environment to the governor as necessary to restore ~~such the~~ debt service reserve fund to an amount equal to such maximum amount required to pay principal of and interest on all outstanding revenue bonds issued under this act and secured by such reserve fund. Any such sum so apportioned and paid shall be deposited to the credit of ~~such the~~ debt service reserve fund. The secretary of health and environment shall annually on or before December 1 ~~make and deliver submit~~ to the governor ~~his or her~~ the secretary's certificate stating the sum, if any, required to restore ~~such the~~ debt service reserve fund to the amount ~~aforsaid~~ required under this subsection and the sum so certified, if any, may be apportioned and transferred by the director of accounts and reports to the department of health and environment during the then current fiscal year of the state.

Sec. 2. K.S.A. 12-3724 is hereby amended to read as follows: 12-3724. (a) The pooled money investment board may invest and reinvest moneys in the self-insurance reserve fund in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.

(b) For the purposes of this act the board may accept funds, public or private, from any person, firm, corporation or from any state agency or other public instrumentality, or from the federal government or any department or agency thereof.

(c) All moneys in the self-insurance reserve fund, or payable to such fund, are hereby specifically exempt from any and all taxes authorized by law to be levied or collected, whether sales, income, ad valorem, premium or by whatever name described.

Sec. 3. K.S.A. 32-104m is hereby amended to read as follows: 32-104m. (a) The director of the Kansas fish and game commission or the director's designee shall be authorized to issue to any Kansas resident a lifetime fishing, hunting or combination hunting and fishing license upon proper application made therefor and payment of a license fee as follows: (1) If total payment is made at the time of purchase, the fee for a lifetime fishing or hunting license shall be \$200, and the fee for a lifetime combination fishing and hunting license shall be \$400; or (2) payment may be made over a two-year period in eight quarter-annual installments. Each installment payment for a hunting or fishing license shall be \$30, and each installment payment for a combination hunting and fishing license shall be \$55. Lifetime licenses shall not be issued until the final installment has been paid. A person making installment payments shall not be required to obtain the appropriate annual license and each installment payment shall be deemed to be such an annual license for a period of one year following the date of the last installment payment made. If an installment payment is not received within 30 days after it is due and owing, the commission may deem the payments in default and may retain any payments previously received. Any lifetime fishing, hunting or combination hunting and fishing license issued to a Kansas resident shall not be made invalid by reason of the holder thereof subsequently residing outside the state of Kansas.

(b) All license fees received from the sale of such licenses shall be remitted at least quarterly to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury and shall credit that amount thereof which is equal to the amount obtained by multiplying the number of lifetime fishing, hunting or combination licenses issued by the current fee for an annual fishing, hunting or combination license to the fish and game commission fee fund and shall credit the remaining balance thereof to the fish and game conservation fund which is hereby created. The pooled money investment board may invest and reinvest moneys credited to the fish and game conservation fund in obligations of the United States or obligations the principal and interest of which are guaranteed by the United States or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the pooled money investment board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by the United States government or any agency thereof. All moneys received as interest earned by the investment of the moneys in the fish and game conservation fund shall be credited to such fund. All expenditures from the fish and game conservation fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the director of the Kansas fish and game commission.

(b)(c) The Kansas fish and game commission may adopt ~~such~~ rules and regulations necessary to carry out the provisions of this section.

Sec. 4. K.S.A. 40-3406 is hereby amended to read as follows: 40-3406. The pooled money investment board may invest and reinvest moneys in the fund in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. Any income or interest earned by such investments shall be credited to the fund.

Sec. 5. K.S.A. 1986 Supp. 58-3066 is hereby amended to read as follows: 58-3066. (a) The real estate recovery revolving fund established within the state treasury by K.S.A. 58-3023 and amendments thereto is hereby continued in existence. Such fund shall be used in the manner and for the purpose provided by this act.

(b) At any time that the balance remaining in the real estate recovery revolving fund is less than \$100,000 the commission, without delay, shall assess each licensed broker a fee of \$10 and each licensed salesperson a fee of \$5. Such fees shall be deposited in the state treasury and credited to the real estate recovery revolving fund. If a licensee does not pay the assessment within 30 days from the date notice of assessment is mailed to the last residence address reported to the commission by the licensee, the licensee's license may be suspended in accordance with the Kansas administrative ~~procedures~~ procedure act until the assessment is paid. A fee of \$15 shall be paid by the licensee to reinstate the suspended license. Fees paid to reinstate licenses suspended under this section shall be deposited in the state treasury and credited to the state general fund and the real estate fee fund as provided by subsection (a) of K.S.A. 58-3074 and amendments thereto.

(c) All payments and disbursements from the real estate recovery revolving fund shall be made upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the director of the commission or by any person or

persons designated by the commission. Amounts credited to the real estate recovery revolving fund under this section shall not be subject to any limitation imposed by any appropriation act of the legislature. All payments and disbursements from the real estate recovery revolving fund shall be subject to post audit in accordance with article 11 of chapter 46 of the Kansas Statutes Annotated and any amendments thereto.

(d) The pooled money investment board may invest and reinvest the moneys in the real estate recovery revolving fund in (1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America; (2) interest-bearing time deposits in any commercial bank or trust company located in Kansas, except that the amount so invested in any such bank or trust company shall not exceed an amount equal to the total capital and surplus of such bank or trust company and shall be secured in the manner prescribed by subsections (a) through (e) of K.S.A. 75-4218; and amendments thereto; (3) if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof; or (4) in shares or accounts in saving savings and loan associations insured by the federal saving savings and loan insurance corporation, or other federal agency, to the extent covered by such insurance. All moneys received as interest earned by the investment of the moneys in the real estate recovery revolving fund shall be credited to such fund.

Sec. 6. K.S.A. 1986 Supp. 65-3431 is hereby amended to read as follows: 65-3431. The secretary is authorized and directed to: (a) Adopt such rules and regulations, standards and procedures relative to hazardous waste management as shall be necessary to protect the public health and environment and enable the secretary to carry out the purposes and provisions of this act.

(b) Report to the legislature on further assistance needed to administer the hazardous waste management program.

(c) Administer the hazardous waste management program pursuant to provisions of this act.

(d) Cooperate with appropriate federal, state, interstate and local units of government and with appropriate private organizations in carrying out the duties under this act.

(e) Develop a statewide hazardous waste management plan.

(f) Provide technical assistance, including the training of personnel, to industry, local units of government and the hazardous waste management industry to meet the requirements of this act.

(g) Initiate, conduct and support research, demonstration projects, and investigations and coordinate all state agency research programs with applicable federal programs pertaining to hazardous waste management.

(h) Establish policies for effective hazardous waste management.

(i) Authorize issuance of such permits and orders, conduct inspections and collect samples or require information and copy records or data as may be necessary to implement the provisions of this act and the rules and regulations and standards adopted pursuant to this act.

(j) Conduct and contract for research and investigations in the overall area of hazardous waste storage, collection, transportation, treatment, recovery and disposal including, but not limited to, new and novel procedures.

(k) Adopt rules and regulations establishing criteria for identifying the characteristics of hazardous waste and for listing hazardous waste. The secretary shall prepare and keep current a listing of hazardous wastes and set of characteristics based on the rules and regulations adopted pursuant to this subsection. The listing shall identify, but need not be inclusive of, all the hazardous waste subject to the provisions of this act. The criteria for identification and listing shall be consistent with the criteria for identification and listing adopted by the administrator of the United States environmental protection agency under the au-

thority vested in the administrator by the Resource Conservation and Recovery Act of 1976 (42 USC 6921) as amended by the Solid Waste Disposal Act of 1980 (P.L. 94-482, October 21, 1980), and as amended by the Hazardous and Solid Waste Act of 1984 (P.L. 98-616, November 8, 1984).

(l) Adopt rules and regulations establishing: (1) Appropriate measures for monitoring generators, transporters and facilities during operation, closure, and after closure of such facilities to insure compliance with the rules and regulations adopted under this act and any permit issued under this act; (2) procedures to suspend operation of such generators, transporters or facilities as may be required to protect the public health and safety or the environment; and (3) appropriate measures to insure that any use of a hazardous waste disposal facility after closure will not endanger the public health or safety or the environment.

(m) Adopt rules and regulations establishing standards for hazardous waste generators including, but not limited to, notification of hazardous waste generation, reporting, recordkeeping, labeling, containerization, source separation, storage, manifests, monitoring, sampling and analysis and manner of filing notifications, reports and manifests.

(n) Adopt rules and regulations prescribing the form of the manifest and requiring such manifest to accompany any hazardous waste collected, transported, treated, recovered or disposed of, and prescribing the contents of the manifest which shall include, but not be limited to the quantity and composition of the hazardous waste, generator, transporter, destination, facility and the manner of signing and filing of the manifest and for the maintenance of records.

(o) Adopt rules and regulations establishing standards for routes used for transporting hazardous waste within the state with the concurrence of the state corporation commission. Such standards shall be consistent with those of the United States department of transportation and the state corporation commission, with respect to transportation of hazardous materials. Motor vehicles which are used for the transportation of hazardous waste in accordance with this act shall be exempt from the requirements of K.S.A. 66-1,108 *et seq.*, and amendments thereto, and any rules and regulations adopted thereunder pertaining to routes which shall be under the jurisdiction of the secretary as provided in this act including any rules and regulations adopted thereunder. Otherwise such motor vehicles shall be subject to the requirements of K.S.A. 66-1,108 *et seq.*, and amendments thereto, and any rules and regulations adopted thereunder.

(p) Adopt rules and regulations establishing standards for transporters of hazardous waste including, but not limited to, notification of hazardous waste transport, manifests, labeling, recordkeeping and the filing of reports.

(q) Adopt rules and regulations establishing standards and procedures to protect public health and the environment from any release of hazardous waste into the environment and to insure the prompt correction of any such release and damage resulting therefrom by the person transporting, handling or managing such hazardous waste.

(r) Adopt rules and regulations requiring that, for such period of time as the secretary shall specify, any assignment, sale, conveyance or transfer of all or any part of the real property upon which a hazardous waste treatment, storage or disposal facility is or has been located shall be subject to such terms and conditions as to the use of such property as the secretary shall specify to protect human health and the environment.

(s) Adopt rules and regulations establishing a permit system which includes standards for facilities and procedures for implementation of a permit system for the construction, alteration, or operation of a hazardous waste treatment, storage or disposal facility including, but not limited to, content of applications, evidence of financial responsibility, existing hydrogeological characteristics, environmental assessment, training of personnel, maintenance of operations, qualifications of ownership, continuity of operation, public notification and participation and compliance with those standards established pursuant to subsection (t).

(t) Adopt rules and regulations establishing minimum stan-

(continued)

dards for the design, location, construction, alteration, operation, termination, closing and long-term care of facilities for the treatment, storage or disposal of hazardous waste including, but not limited to, notification of hazardous waste treatment, storage or disposal, general facility standards, contingency plans, emergency procedures, manifest system, recordkeeping, inspections, monitoring, reporting, closure and postclosure plans and financial requirements. The operator of the facility shall be responsible for long-term care of the facility for 30 years after closure of the facility except that the secretary may modify the long-term care requirements for any facility when all hazardous waste is removed from the facility at closure. The secretary may extend the long-term care responsibility of any operator of a facility as the secretary may deem necessary to protect the public health and safety or the environment. Any person acquiring rights of possession or operation of any facility permitted by the secretary for the treatment, storage or disposal of hazardous waste at any time after the facility has begun to accept waste and prior to the end of the required period of long-term care shall be subject to all of the requirements, terms and conditions of the permit for the facility including all requirements relating to long-term care of the facility. The sale or acquisition of a hazardous waste disposal facility during the long-term care period shall be subject to the assignment of long-term care responsibilities as determined by the secretary.

(u) Adopt rules and regulations establishing a schedule of fees to be paid to the secretary by: (1) Permittees operating hazardous waste treatment, storage or disposal facilities; (2) hazardous waste transporters; or (3) hazardous waste generators producing or bringing into existence hazardous waste in Kansas. The fees shall be for monitoring facilities both during and after operation, for monitoring generators of hazardous waste in Kansas and for monitoring the transportation of hazardous wastes. The fees shall be sufficient to reimburse the cost of the state in performing these monitoring responsibilities. The fee established under this subsection for each hazardous waste disposal facility shall not exceed \$25,000 annually. In setting fees, the secretary may exempt those fees which would be payable by generators for hazardous waste which is treated to recover substantial amounts of either energy or materials from hazardous wastes. The secretary shall remit any moneys collected from such fees to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the entire amount thereof in the state general fund.

(v) (1) Adopt rules and regulations establishing a schedule of fees to be paid to the secretary by permittees operating hazardous waste disposal facilities. In establishing fees, the secretary shall give consideration to degree of hazard, costs of treatment and disposal, estimated future receipts and estimated future expenses to the state for monitoring, maintenance and supervision of the facilities after closure. Fees shall be in an amount not to exceed \$.25 per cubic foot of hazardous waste disposed of. Each permittee, as an advance payment of the fees authorized under this subsection, shall remit to the secretary an amount to be established by the secretary not to exceed \$25,000 upon request and notification by the secretary that an initial application for a permit or initial renewal thereof has been approved, subject to receipt of the advance payment. Commencing with the second renewal, no advance payment shall be required. The advance payment shall constitute a credit against any fee which may be assessed pursuant to this subsection.

(2) The secretary shall remit any ~~money moneys~~ moneys collected pursuant to this subsection to the state treasurer to be deposited in the state treasury and credited to the hazardous waste perpetual care trust fund, which fund is hereby limited to the following uses: (A) Payment of extraordinary costs of monitoring a permitted hazardous waste disposal facility after the responsibility of the operator has terminated; (B) payment of costs of repairing a hazardous waste disposal facility, as a result of a postclosure occurrence which poses a substantial hazard to public health or safety or to the environment. If an expenditure made under this subsection would not have been necessary had the person responsible for the operation or long-term care of the permitted hazardous waste disposal facility complied with the require-

ments of a plan of operation approved by the secretary when the permit was issued, a cause of action in favor of the fund shall be accrued to the state of Kansas against such person, and the secretary shall take such action as is appropriate to enforce the cause of action by recovering any amounts so expended. The net proceeds of any such recovery shall be paid into the fund; and (C) on an emergency basis up to 20% of the balance in the hazardous waste perpetual care trust fund may be allocated for investigation, engineering and construction related to the removal, treatment and disposal of hazardous waste disposed of in any hazardous waste disposal facility closed prior to the date of this act, when such hazardous waste is found to pose an imminent and substantial risk to the public health or safety or the environment.

(3) The pooled money investment board may invest and reinvest moneys in the perpetual care trust fund established under this subsection in obligations of the United States or obligations the principal and interest of which are guaranteed by the United States or in interest-bearing time deposits in any commercial bank or trust company located in Kansas or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. Any income or interest earned by such investments shall be credited to the hazardous waste perpetual care trust fund.

(4) All expenditures from the hazardous waste perpetual care trust fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for the purposes set forth in this subsection.

(w) Encourage, coordinate or participate in one or more waste exchange clearing houses for the purpose of promoting reuse and recycling of industrial wastes.

(x) Adopt rules and regulations establishing the criteria to specify when a change of principal owners or management of a hazardous waste treatment, storage or disposal facility occurs and under what circumstances and procedures a new permit shall be required to be issued to the transferees of a facility which was permitted to the transferor.

(y) Adopt rules and regulations concerning the generation, transportation, storage, blending, marketing, burning and types of hazardous waste for which any method, technique or process to recover energy will be considered hazardous waste treatment. Such rules and regulations should specify a minimum heat value of the waste so as to ensure that a legitimate energy recovery will occur and should consider other characteristics of the waste which are appropriate to ensure that such method, technique or process for energy recovery will not pose a threat to the public health or environment.

Sec. 7. K.S.A. 68-2311 is hereby amended to read as follows: 68-2311. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as payments from the state freeway fund, shall be deemed to be trust funds to be held and applied solely as provided in this act. The secretary of transportation shall have the responsibility for the management of the state freeway fund and the state freeway construction fund. Within the limitations hereinafter provided by this section, the pooled money investment board shall ~~have the authority to~~ invest and reinvest moneys in the funds and ~~to~~ shall acquire, retain, manage, including the exercise of any voting rights, and dispose of investments of the funds, except that moneys in the state freeway construction fund may be invested only in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of

the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. In investing or reinvesting moneys in the funds, and in acquiring, retaining, managing and disposing of investments of the funds, there shall be exercised the judgment and care under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital. Within the limitations of the foregoing standard and subject to subsection (c) of this section, there may be acquired, retained, managed and disposed of as investments of the funds every kind of investment which persons of prudence, discretion and intelligence acquire, retain, manage and dispose of for their own account, with the objective of all such investments being to make the moneys in such fund as productive as possible, except that no funds may be invested in the common stock of any foreign or domestic corporation. Nothing in the foregoing provision this subsection shall be deemed to require the disposition of any common stock in which funds were invested prior to the effective date of this act.

(b) Subject to the standards, objectives and restrictions set forth in subsection (a), the pooled money investment board shall formulate policies for the investment and reinvestment of moneys in the state freeway fund and the state freeway construction fund and the acquisition, retention, management and disposition of investments of these funds. From time to time, the pooled money investment board shall review any policies so adopted and make such changes therein as it deems necessary.

(c) Notwithstanding any of the provisions of subsection (a) or any policies adopted pursuant to subsection (b) to the contrary, the pooled money investment board shall invest only those moneys which are not obligated to be expended within the immediately ensuing six-month period pursuant to contract or for debt service requirements pursuant to the provisions of this act.

(d) The pooled money investment board may enter into contracts with one or more financial advisors whom the board determines to be qualified, whereby the financial advisors undertake to perform the functions specified in subsection (a) to the extent provided in the contract. Performance of functions under contract so entered into shall be paid for out of the gross interest or other income of the investments with respect to which the functions are performed, and the net interest or other income of the investments after that payment shall be considered income of the state freeway fund. The pooled money investment board shall require a financial advisor contracted with to give a fidelity bond in such sum as may be fixed by law or, if not so fixed, as may be fixed by the board, with corporate surety authorized to do business in this state.

(e) In the acquisition or disposition of securities, the pooled money investment board may rely on the written legal opinion of a reputable and nationally recognized bond attorney or attorneys, or the written legal opinion of the attorney of the financial advisors.

(f) Except as provided in subsection (d) and this subsection the custody of money and securities of the funds shall remain in the custody of with the state treasurer, except that the pooled money investment board may arrange for the custody of such money and securities as it considers advisable with a member bank or trust company of the federal reserve system, or with one or more banks in the state of Kansas, or both, to be held in safekeeping by the bank or trust company or banks for the collection of the principal and interest or other income or of the proceeds of sale. The services provided by any such bank or trust company shall be paid for out of the gross receipts from such interest or other income, and the net interest or other income after such payment shall be considered income of the state freeway fund.

(g) With the advice and consent of the state director of accounts and reports, the pooled money investment board shall establish the requirements and procedure for reporting any and all activity relating to investment functions provided for in this section, in order to prepare a record monthly of the investment

income and changes made during the preceding month. The record shall reflect a detailed summary of investment, reinvestment, purchase, sale and exchange transactions, showing the dates thereof, the prices paid and obtained, the names of the dealers and such other information as the board may consider advisable to reflect a true accounting of the investment activity of the state freeway fund and the state freeway construction fund.

(h) The pooled money investment board shall provide for an examination of the investment program annually. The examination shall include an evaluation of current investment policies and practices and of specific investments of the funds in relation to the standards and objectives set forth in subsection (a) and other criteria as may be appropriate, and recommendations relating to the investment policies and practices and to specific investments of the funds as are considered necessary or desirable.

Sec. 8. K.S.A. 74-2913 is hereby amended to read as follows: 74-2913. There is hereby created in the state treasury the all-sports hall of fame trust fund. The pooled money investment board may invest and reinvest moneys credited to such fund in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty~~ (30) 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. All moneys received as interest earned by the investment of the moneys in the all-sports hall of fame trust fund shall be credited to such trust fund.

Sec. 9. K.S.A. 74-4515 is hereby amended to read as follows: 74-4515. (a) All moneys derived from the sale of bonds as provided in this act shall be paid into the state treasury and the state treasurer shall credit the same to a special account for the use of the authority to pay the cost of the specific public improvement or project for which the bonds were issued as shown by the bond indenture executed in connection with the issuance of said the bonds. ~~Provided, That~~ If moneys derived from the sale of bonds shall exceed the amount necessary to complete the specific public improvement or project for which the same were issued the authority shall have power by resolution to direct the state treasurer to transfer any surplus from ~~said the special account to another account in the state park and resources authority general fees fund~~ for the purpose of retiring ~~said the bonds~~. Upon making any such transfer the state treasurer shall notify the director of accounts and reports and the authority thereof who shall make the proper entries in the records of their respective offices to show such transfer. ~~Provided further, That~~

(b) If any money deposited in ~~such the special account~~ is not currently needed, the pooled money investment board may invest all or any part thereof in obligations of the United States government which shall mature within one (1) year from date of purchase or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty~~ (30) 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. Upon the maturity of the obligations so purchased the proceeds thereof shall be deposited in the state treasury and credited to ~~such the state park and resources authority general fees fund~~.

(c) The director of accounts and reports, upon the presentation of properly itemized and executed vouchers, approved by the ~~chairman or vice-chairman~~ chairperson or vice-chairperson of the authority, is hereby authorized to draw his or her warrant

(continued)

warrants on the state treasurer against ~~said~~ the special account created under this section.

Sec. 10. K.S.A. 75-2527 is hereby amended to read as follows: 75-2527. The state pooled money investment board shall invest and reinvest moneys in the Jane C. Stormont perpetual endowment fund only (a) in direct obligations of, or obligations the principal of which and interest on which are unconditionally guaranteed by, the United States of America, (b) in interest-bearing time deposits in any bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof, or (c) in insured savings and loan associations to the extent of the insurance provided by the ~~F.S.L.I.C. federal savings and loan insurance corporation or other federal agency.~~

Sec. 11. K.S.A. 1986 Supp. 75-4205 is hereby amended to read as follows: 75-4205. (a) The board shall designate one or more banks to receive active accounts. The capital and surplus of any bank having an active account shall be not less than \$2,000,000. In determining the amount of the award of an active account to any bank designated under this subsection therefor, the board shall give consideration to the amount of service to be required of it. Active accounts shall bear no interest.

(b) The aggregate moneys in all active accounts shall not exceed \$40,000,000 at any time, except that in periods of anticipated peak disbursements, the board, in its discretion, may cause the aggregate moneys in the active accounts to exceed such amount for the duration of such periods of peak disbursements, not to exceed 10 days. At any time moneys in active accounts exceed 50% of the award of such accounts, additional moneys may be deposited in time deposit, open accounts.

(c) If the aggregate of all active accounts exceeds the limit prescribed in subsection (b), the board shall direct the treasurer to make withdrawals within 60 days of sufficient moneys to reduce the amount in the active accounts below such limit, and such withdrawals shall be made in accordance with the formula prescribed for the initial award of such moneys. The moneys so withdrawn shall be transferred to and deposited in inactive accounts in accordance with the formula prescribed in K.S.A. 75-4207 and 75-4209, and amendments thereto, for initial deposits in inactive accounts except that any bank which was entitled to an inactive account award of \$100,000 or more under the provisions of K.S.A. 75-4209, and amendments thereto, but which contracted for a lesser amount shall not be entitled to receive such additional deposits.

(d) When moneys are available for deposit for not to exceed 60 days in time deposit, open accounts, the board shall deposit such moneys in time deposit, open accounts in the banks and in the proportion prescribed by K.S.A. 75-4206, and amendments thereto, for the making of such deposits of moneys or if the board determines that it is impossible to deposit such moneys in time deposit, open accounts, it shall invest the same in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.

(e) At any time moneys are available for deposits or investment for a period of time which is insufficient to permit deposit in time deposit, open accounts the board may invest the same in repurchase agreements of less than 30 days' duration with Kansas banks for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.

(f) When moneys are available for deposits or investments under the provisions of subsections (d) and (e), the board, in lieu of such deposits or investments, may invest in preferred stock of Kansas Venture Capital, Inc. under terms and conditions prescribed by K.S.A. 1986 Supp. 74-8203, and amendments thereto,

but such investments shall not in the aggregate exceed a total amount of \$10,000,000.

Sec. 12. K.S.A. 75-4213 is hereby amended to read as follows: 75-4213. Custodial accounts shall be arranged for by the board, but the aggregate of custodial accounts in any bank shall not exceed ~~ten percent (10%)~~ 10% of the deposits of such bank's statement of last official call. Whenever it ~~shall appear~~ appears to the board that certain moneys may be required to be deposited in custodial accounts, the ~~chairman~~ chairperson shall request the opinion of the attorney general, who shall render ~~his or her~~ an opinion thereon within two ~~(2)~~ weeks. No commitment shall be made to maintain all or any portion of any custodial account for a period of more than ~~twelve (12)~~ 12 months. Custodial moneys shall not be considered in determining limitations imposed by this act on other types of bank accounts. Custodial accounts may be demand deposits or interest bearing deposits, as determined by the board, and if the ~~same~~ custodial accounts are interest bearing the rate thereof shall be the same as the rate applicable to inactive accounts. The board may invest custodial moneys in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.

Sec. 13. K.S.A. 75-4254 is hereby amended to read as follows: 75-4254. The pooled money investment board may invest and reinvest the moneys of surplus proceeds and surplus reserves in (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America; or (b) in interest-bearing time deposits in any commercial bank or trust company located in Kansas, except that the amount so invested in any such bank or trust company shall not exceed an amount equal to the total capital and surplus of such bank or trust company and shall be secured in the manner prescribed by subsections (a) to (e), inclusive, of K.S.A. 75-4218; and amendments thereto or (c); if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof; or (d) in shares or accounts in ~~saving~~ savings and loan associations insured by the federal ~~saving~~ savings and loan insurance corporation, or other federal agency, to the extent covered by such insurance.

Sec. 14. K.S.A. 76-818 is hereby amended to read as follows: 76-818. All funds received pursuant to the provisions of this act, whether as proceeds from the sale of bonds, sale of property, insurance or condemnation awards, as revenues, proceeds or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in this act and as provided in the resolution authorizing the issuance of the bonds or the trust agreement. The resolution of the board authorizing the issuance of the bonds or the trust agreement securing any bonds may provide that any of such moneys, including the proceeds of the bonds, the sinking fund and any reserve account or accounts, may be invested by the pooled money investment board, pending the disbursement thereof, in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. Whenever such moneys are invested in interest-bearing deposits in any commercial bank or trust company, such deposits shall be secured by pledge of

securities as provided in K.S.A. 75-4218, and amendments thereto.

Sec. 15. K.S.A. 76-2473 is hereby amended to read as follows: 76-2473. The state treasurer shall have the custody and charge of all moneys in the all faiths chapel building fund. The pooled money investment board may invest and reinvest the moneys not needed immediately in (a) direct obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or (b) in interest-bearing time deposits in any commercial bank or trust company located in Kansas, except that the amount so invested in a bank or trust company shall not exceed an amount equal to the total capital and surplus of such bank or trust company and shall be secured in the manner prescribed by K.S.A. 75-4218, and amendments thereto or (c), if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than ~~thirty (30)~~ 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof, or (d) in shares or accounts in federally insured savings and loan associations located in the state of Kansas to the extent covered by the insurance. The net income from the investments shall be considered income of the fund and placed in such fund, subject to reinvestment as ~~hereinbefore~~ provided by this section. All moneys in the fund and income therefrom shall be subject to post audit.

Sec. 16. K.S.A. 1986 Supp. 79-4804 is hereby amended to read as follows: 79-4804. (a) An amount equal to 60% of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state economic development initiatives fund, which is hereby created in the state treasury. Expenditures from the state economic development initiatives fund shall be made in accordance with appropriation acts for the financing of such programs supporting and enhancing the existing economic foundation of the state and fostering growth through the expansion of current, and the establishment and attraction of new, commercial and industrial enterprises as provided by this section and as may be authorized by law and not less than ~~one-half~~ 1/2 of such money shall be distributed equally among the five congressional districts. From and after July 1, 1989, an amount equal to 90% of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state economic development initiatives fund created by this section. All moneys credited to the state economic development initiatives fund shall be credited within the fund, as provided by law, to an account or accounts of the fund which are created by this section.

(b) There is hereby created the Kansas capital formation account in the state economic development initiatives fund. All moneys credited to the Kansas capital formation account shall be used to provide, encourage and implement capital development and formation in Kansas.

(c) There is hereby created the Kansas economic development research and development account in the state economic development initiatives fund. All moneys credited to the Kansas economic development research and development account shall be used to promote, encourage and implement research and development programs and activities in Kansas and technical assistance funded through state educational institutions under the supervision and control of the state board of regents or other Kansas colleges and universities.

(d) There is hereby created the Kansas economic development endowment account in the state economic development initiatives fund. All moneys credited to the Kansas economic development endowment account shall be accumulated and invested as provided in this section to provide an ongoing source of funds which shall be used for economic development activities in Kansas, including but not limited to continuing appropriations or demand transfers for programs and projects which shall include, but are not limited to, specific community infrastructure projects in Kansas that stimulate economic growth.

(e) Except as provided in subsection (f), the pooled money

investment board may invest and reinvest moneys credited to the state economic development initiatives fund in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank or trust company located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. All moneys received as interest earned by the investment of the moneys credited to the state economic development initiatives fund shall be deposited in the state treasury and credited to the Kansas economic development endowment account of such fund.

(f) Moneys credited to the Kansas economic development endowment account of the state economic development initiatives fund may be invested in government guaranteed loans and debentures as provided by law in addition to the investments authorized by subsection (e) or in lieu of such investments. All moneys received as interest earned by the investment under this subsection of the moneys credited to the Kansas economic development endowment account shall be deposited in the state treasury and credited to the Kansas economic development endowment account of the state economic development initiatives fund.

Sec. 17. K.S.A. 12-3718, 12-3724, 32-104m, 40-3406, 68-2311, 74-2913, 74-4515, 75-2527, 75-4213, 75-4254, 76-818 and 76-2473 and K.S.A. 1986 Supp. 58-3066, 65-3431, 75-4205 and 79-4804 are hereby repealed.

Sec. 18. 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 11, 1987.

JAMES D. BRADEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

Passed the SENATE April 9, 1987.

ROBERT V. TALKINGTON
President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED April 21, 1987.

MIKE HAYDEN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, BILL GRAVES, 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 21st day of April, 1987.

(SEAL) BILL GRAVES
Secretary of State.

(Published in the KANSAS REGISTER, May 14, 1987.)

SENATE BILL No. 395

AN ACT concerning speed limits on highways; amending K.S.A. 8-1336 and 8-1341 and repealing the existing sections.

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

Section 1. K.S.A. 8-1336 is hereby amended to read as follows: 8-1336. (a) Except when a special hazard exists that requires lower speed for compliance with K.S.A. 8-1335, and amendments thereto, the limits specified in this section or established as hereinafter authorized shall be maximum lawful speeds, and no person shall drive a vehicle at a speed in excess of such maximum limits:

(1) ~~Twenty (20) miles per hour~~ In any business district, 20 miles per hour;

(2) ~~Thirty (30) miles per hour~~ in any residence district, 30 miles per hour; and

(3) ~~on those portions of rural interstate highways located outside of urbanized areas as defined by 23 USC 101, 65 miles per hour; and~~

(3) ~~Fifty-five (55) miles per hour~~ (4) in all other locations, 55 miles per hour. In the event that the Congress of the United States ~~shall establish~~ establishes a maximum speed limit greater or less than the limit prescribed by this paragraph, the secretary of transportation may adopt a resolution, subject to the approval of the governor, establishing such speed limit as the maximum speed limit of this state. ~~Upon the expiration of sixty (60) days~~ After the governor has approved any such resolution, the speed limit stated therein shall be the maximum speed limit of this state in all locations other than business and residence districts. The maximum speed limit established by or pursuant to this paragraph shall be of force and effect regardless of whether signs are posted giving notice thereof and notwithstanding any signs giving notice of maximum speed limits in excess thereof, and any sign giving notice of a maximum speed limit in excess of the limit established by or pursuant to this paragraph shall not be of any force and effect.

(b) The maximum speed limits established by or pursuant to this section may be altered as authorized in K.S.A. 8-1337 and 8-1338, and ~~any~~ amendments thereto.

(c) No person shall drive a school bus to or from school, or interschool or intraschool functions or activities, at a speed greater than ~~forty-five (45)~~ 45 miles per hour on any roadway having a dirt, sand or gravel surface, and in no event shall a school bus be driven to and from school, or functions or activities, in excess of ~~fifty-five (55)~~ 55 miles per hour, notwithstanding any maximum speed limit in excess thereof. The provisions of this subsection shall apply to buses used for the transportation of students enrolled in community ~~junior~~ colleges or area vocational schools when such buses are transporting students to or from school, or functions or activities.

Sec. 2. K.S.A. 8-1341 is hereby amended to read as follows: 8-1341. Any conviction or forfeiture of bail or bond for exceeding the maximum speed limit established by *paragraph (3) of subsection (a) of K.S.A. 8-1336, and amendments thereto, by not more than five miles per hour or paragraph (4) of subsection (a)(3) of K.S.A. 8-1336, and amendments thereto,* by not more than ~~ten (10)~~ 10 miles per hour shall not be construed as a moving traffic violation for the purpose of K.S.A. 8-255, and ~~any~~ amendments thereto.

Sec. 3. K.S.A. 8-1336 and 8-1341 are hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body April 7, 1987.

SENATE adopted Conference Committee report May 4, 1987.

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

Passed the HOUSE as amended April 10, 1987.

HOUSE adopted Conference Committee report May 4, 1987.

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

APPROVED May 12, 1987.

MIKE HAYDEN
Governor.

STATE OF KANSAS
Office of Secretary of State

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

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of May, 1987.

BILL GRAVES
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER, May 14, 1987.)

SENATE BILL No. 430

AN ACT concerning the superconducting super collider; authorizing the acquisition of real property and interest or rights therein for certain purposes relating thereto; granting power of eminent domain under certain circumstances; granting certain rights to and imposing certain duties upon the secretary of commerce; authorizing entry upon land in certain circumstances; establishing the super collider project fund; authorizing the state corporation commission to determine the telecommunications provider and electric supplier for the superconducting super collider.

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

Section 1. (a) The department of commerce, acting through the secretary of commerce, in the name of the state, may acquire fee simple title or easement by gift, purchase, dedication or by the exercise of the right of eminent domain: (1) To, upon or under any lands or interests or rights therein; (2) to water, gravel, stone, sand or other material; (3) to spoil banks, borrow pits or disposal sites; (4) to access ways, to spoil banks or borrow pits or any bed, pit, quarry or other place where gravel, stone, water or other material or substance is located; (5) to access roads or utility easements necessary to serve lands or rights in land so acquired; and (6) to control access to the lands or rights in land so acquired, all in furtherance of the state acquisition of land for the superconducting super collider. The secretary of commerce, in the name of the state, may acquire title to an entire lot, block or tract of land for the superconducting super collider even though such entire lot, block or tract is not immediately needed for such purpose, if the secretary finds that by so doing the interests of the public will be best served, and without limiting the foregoing, the same may be done where uneconomic remnants of land would be left the original owner or where severance or consequential damage to a remainder make the acquisition of the entire lot, block or tract more economical to the state or where requested to do so by the owner of the lot, block or tract of land.

(b) (1) Exercise of the right of eminent domain by the secretary shall be in accordance with and governed by article 5 of chapter 26 of the Kansas Statutes Annotated.

(2) Every petition filed by the secretary to acquire lands or any interest in or title thereto by the exercise of the right of eminent domain shall set forth the extent, quantity and nature of the interest or title to be acquired.

(3) Except as otherwise provided in paragraph (b)(4), the secretary may subordinate but shall not acquire by eminent domain any right, title or interest in or to the oil and gas or other minerals under or in any lands, and the petition in any condemnation proceedings shall state that right, title or interest in or to such oil and gas or other minerals is not being condemned but that the same may be subordinated to projects in furtherance of the superconducting super collider.

(4) The secretary may acquire by eminent domain the fee simple title to lands when such lands are acquired for sites for

improvements necessary or incident to the superconducting super collider.

(c) The secretary may acquire fee simple title or any lesser degree of title, interest or rights in land by purchase, gift, dedication or exercise in the name of the state by the right of eminent domain in furtherance of the state acquisition of land for the superconducting super collider.

(d) The secretary may donate, sell or trade the real estate or any right, title or degree or variety of interest therein which has been acquired in accordance with the provisions of this section to the federal government or any agency thereof or any other person or entity.

(e) The secretary may enter into such contracts and agreements and perform such other duties as may be necessary to carry out the provisions of this section.

(f) The secretary may enter or authorize designees to enter upon any property to make surveys, examinations, investigations and tests and to acquire other necessary and relevant data in contemplation of the acquisition of land or rights in land pursuant to this section. Prior to entering upon any such property the secretary or designee shall first request permission of the landowner. Where consent to do the things authorized in this subsection (f) is not given to the secretary or designee by the owner or occupant of the land involved, the secretary or designee may proceed as authorized after giving 10 days' written notice to landowner or occupant of the secretary's or designee's intention to conduct such surveys, examinations, investigations and tests. Entry upon any property, pursuant to this subsection (f) shall not be considered to be a trespass and no damages shall be recoverable solely because of such entry.

(g) This section shall be part of and supplemental to the provisions of article 50 of chapter 74 of the Kansas Statutes Annotated and acts amendatory of the provisions thereof or supplemental thereto.

Sec. 2. (a) There is hereby established in the state treasury the super collider project fund which shall be administered by the secretary of commerce. All expenditures from such fund shall be made upon warrants of the director of accounts and reports pursuant to vouchers approved by the secretary of commerce or the secretary's designee.

(b) Moneys in the super collider project fund shall be used only for the purposes of paying expenses relating to securing the location of the federal superconducting super collider project site in this state.

(c) Upon certification by (1) the federal department of energy to the governor that the state of Kansas has been selected as the official site of the superconducting super collider project and (2) the secretary of commerce to the director of accounts and reports that the unencumbered balance in the super collider project fund is insufficient to pay projected expenditures therefrom, the director of accounts and reports shall transfer an amount equal to the insufficiency from the state general fund to the super collider project fund, with the approval of the state finance council. Transfers pursuant to this subsection are 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 that such approval also may be given when the legislature is in session.

Sec. 3. (a) As used in this section: (1) "Telecommunications public utility" means any public utility, as defined in K.S.A. 66-104 and amendments thereto which owns, controls, operates or manages any equipment, plant or generating machinery, or any part thereof, for the transmission of telephone messages, as defined in K.S.A. 66-104 and amendments thereto in or through any part of Kansas.

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

(3) "Superconducting super collider project" means the United States department of energy particle accelerator facility.

(b) (1) This section recognizes the importance of the superconducting super collider project to Kansas' future economic development and thereby endeavors to enhance Kansas' opportunity of being awarded such a project.

(2) Subject to the provisions of this section, the commission shall have the authority upon application by a telecommunica-

tions public utility, to determine the telecommunications public utility to be responsible for providing all telecommunications service to the superconducting super collider project.

(c) (1) In determining which telecommunications public utility shall provide service to the superconducting super collider project, the commission shall select a telecommunications public utility which provides service in the territory where the switch for the superconducting super collider project shall be located.

(2) The commission shall also ascertain that the telecommunications public utility selected is able to meet the specifications of the superconducting super collider project.

Sec. 4. (a) As used in this section: (1) "Electric transmission lines" means any line or extension of a line which is at least five miles in length and which is used for the bulk transfer of 230 kilowatts or more of electricity.

(2) "Retail electric supplier" means any person, firm, corporation, municipality, association or cooperative corporation engaged in the furnishing of retail electric service.

(3) "Certified territory" means an electric service territory certified to a retail electric supplier pursuant to K.S.A. 66-1,170 *et seq.* and amendments thereto.

(4) "Superconducting super collider project" means the United States department of energy particle accelerator facility.

(b) (1) This section recognizes the importance of the superconducting super collider project to Kansas' future economic development and thereby endeavors to enhance Kansas' opportunity of being awarded such project.

(2) Subject to the provisions of this section, the state corporation commission shall have the authority upon application by any retail electric supplier or group of suppliers, to determine the electric supplier or suppliers to be responsible for providing service to the superconducting super collider, including the termination of service rights and awarding of such service rights to another retail electric supplier.

(c) (1) Fair and reasonable compensation shall be paid to the terminated retail electric supplier by the supplier subsequently authorized to provide electric service. Such amount shall be an amount mutually agreed upon by the affected parties or the sum of the following:

(A) The depreciated replacement cost for the electric utility facilities in the territory in which the service rights have been terminated. As used in this paragraph, "depreciated replacement cost" means the original installed cost of the facilities, adjusted to present value by utilizing a nationally recognized index of utility construction costs, less accumulated depreciation based on the book depreciation rates of the selling utility as filed with and approved by the state corporation commission, which are in effect at the time of acquisition;

(B) all reasonable and prudent costs of detaching the electric system facilities to be sold and all reasonable and prudent costs of reintegrating the remaining electric system facilities of the retail electric supplier whose service rights are terminated;

(C) an amount equal to 100% of the gross revenues attributable to the existing customers in the terminated territory during the 12 months next preceding the date of termination of the service rights; and

(D) an amount equal to the state and federal tax liability created by the taxable income pursuant to the provisions of this paragraph and paragraphs (A), (B) and (C) by the retail electric supplier whose service rights are terminated, calculated without regard to any tax deductions or benefits not related to the sale of assets covered herein.

(2) In the event that the parties are unable to agree upon an amount of compensation to be paid pursuant to subsection (c)(1), after 60 days following the date of termination of service rights either party may apply to the state corporation commission for determination of compensation. Such determination shall be made by the corporation commission within 60 days of such application.

(d) This section shall supersede those relevant portions of K.S.A. 66-1,170 *et seq.* and K.S.A. 66-1,177 *et seq.*, and amendments thereto.

(continued)

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body April 30, 1987.

SENATE concurred in HOUSE amendments May 2, 1987.

ROBERT V. TALKINGTON
President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended May 1, 1987.

JAMES D. BRADEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 11, 1987.

MIKE HAYDEN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, BILL GRAVES, 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, 1987.

BILL GRAVES
Secretary of State.
(SEAL)

(Published in the KANSAS REGISTER, May 14, 1987.)

HOUSE BILL No. 2615

AN ACT concerning alcoholic liquor; amending K.S.A. 41-308, as amended by 1987 House Bill No. 2043, K.S.A. 41-2622, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and K.S.A. 41-2704, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and repealing the existing sections; reviving and amending K.S.A. 41-2614, as repealed by 1987 House Substitute for Substitute for Senate Bill No. 141 and by chapter 174 of the 1985 Session Laws of Kansas and repealing the revived section; also repealing K.S.A. 41-2801 through 41-2804, K.S.A. 41-308, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, K.S.A. 41-2614, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and K.S.A. 41-2633a, as amended by 1987 Senate Bill No. 318.

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

Section 1. On and after July 1, 1987, K.S.A. 41-308, as amended by section 25 of 1987 House Bill No. 2043, is hereby amended to read as follows: 41-308. (a) A retailer's license shall allow the licensee to sell and offer for sale at retail and deliver in the original package, as therein prescribed, ~~only in the premises specified in such license, alcoholic liquor including beer containing more than 3.2% alcohol by weight alcoholic liquor~~ for use or consumption off of and away from the premises specified in such license, ~~but not for resale in any form except to a club licensed pursuant to article 26 of chapter 41 of the Kansas Statutes Annotated. Except as authorized by subsection (e), A retailer's license shall permit sale and delivery of alcoholic liquor only on the licensed premises and shall not permit sale of alcoholic liquor for resale in any form, except that a licensed retailer may:~~

(1) Sell alcoholic liquor to a temporary permit holder for resale by such permit holder; and

(2) sell and deliver alcoholic liquor to a caterer or to the licensed premises of a club or drinking establishment, if such premises are in the county where the retailer's premises are located or in an adjacent county, for resale by such club, establishment or caterer.

(b) The holder of a retailer's license shall not sell, offer for sale, or give away or permit to be sold, offered for sale or given away in or from the premises specified in such license any service, or thing of value whatsoever except alcoholic liquor in

the original package, ~~nor shall a holder of such license except that a licensed retailer may:~~

(1) Charge a delivery fee for delivery to a club, drinking establishment or caterer pursuant to subsection (a); and

(2) sell lottery tickets and shares to the public in accordance with the Kansas lottery act, if the retailer is selected as a lottery retailer.

(c) No licensed retailer shall furnish any entertainment in such premises or permit any pinball machine or game of skill or chance to be located in or on such premises.

(d) A retailer's license shall allow the licensee to store wine in refrigerators, cold storage units, ice boxes or other cooling devices, and the licensee may sell such wine to consumers in a chilled condition.

(e) A holder of a retailer's license who is selected as a lottery retailer may sell lottery tickets and shares to the public in accordance with the provisions of the Kansas lottery act.

Sec. 2. On and after July 1, 1987, K.S.A. 41-2614, as repealed by section 144 of 1987 House Substitute for Substitute for Senate Bill No. 141 and by section 5 of chapter 174 of the 1985 Session Laws of Kansas, is hereby revived and amended to read as follows: 41-2614. (a) No club licensed hereunder or drinking establishment shall allow the serving, mixing or consumption of alcoholic liquor on its premises between the hours of 3:00 a.m. and 9:00 a.m. on any day other than a Sunday nor between the hours of 3 a.m. and 12 noon on a Sunday.

(b) No caterer shall allow the serving, mixing or consumption of alcoholic liquor between the hours of 2:00 a.m. and 6:00 a.m. on any day at an event catered by such caterer.

Sec. 3. On and after July 1, 1987, K.S.A. 41-2622, as amended by section 74 of 1987 House Substitute for Substitute for Senate Bill No. 141, is hereby amended to read as follows: 41-2622. (a) At the time application is made to the director for a license pursuant to the club and drinking establishment act, the applicant shall pay the following annual license fee in the manner provided by K.S.A. 41-2606 and amendments thereto:

(1) For a class A club which is a bona fide nonprofit fraternal or war veterans' club, as defined by rules and regulations of the secretary, \$250;

(2) for a class A club which is a bona fide nonprofit social club, as defined by rules and regulations of the secretary, and which has not more than 500 members, \$500;

(3) for a class A club which is a bona fide nonprofit social club, as defined by rules and regulations of the secretary, and which has more than 500 members, \$1,000;

(4) for a class B club, \$1,000;

(5) for a drinking establishment, \$1,000;

(6) for a hotel of which the entire premises are licensed as a drinking establishment, ~~\$2,000~~ \$3,000;

(7) for a caterer, \$500;

(8) for a drinking establishment/caterer, \$1,500; and

(9) for a drinking establishment/caterer, if the drinking establishment is a hotel of which the entire premises are licensed as a drinking establishment, \$3,500.

If a licensee is described by more than one of the above, the highest fee shall apply.

(b) In addition to the fee provided by subsection (a):

(1) Any city where the licensed premises of a club or drinking establishment are located or, if such licensed premises are not located in a city, the board of county commissioners of the county where the licensed premises are located shall levy and collect an annual occupation or license tax from the licensee in an amount equal to not less than \$100 nor more than \$250; or

(2) in any county having a population of more than 160,000 and not more than 185,000 and in any county in which there are located the premises of not less than 75 clubs and drinking establishments, any city located within the county in which any such licensed premises are located or, if such licensed premises are not located within a city, the board of county commissioners of such county may levy and collect an annual occupation or license tax from the licensees in an amount not to exceed \$250.

(c) No occupational or excise tax or license fee other than that provided by subsection (b) shall be levied by any city or county against or collected from a licensed club or drinking establishment.

(d) The director shall remit all moneys received under this section to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury. Of each such deposit, 50% shall be credited to the state general fund, and the remaining 50% shall be credited to the alcoholism treatment fund, which fund is hereby created. Moneys in the alcoholism treatment fund shall be used by the secretary of social and rehabilitation services for the purpose of implementing the powers and duties of the secretary under the provisions of K.S.A. 65-4006 and 65-4007, and amendments thereto. All expenditures from the alcoholism treatment fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers signed by the secretary of social and rehabilitation services or by a person or persons designated by the secretary.

Sec. 4. K.S.A. 41-2704, as amended by section 100 of 1987 House Substitute for Substitute for Senate Bill No. 141, is hereby amended to read as follows: 41-2704. (a) In addition to and consistent with the requirements of this act, the board of county commissioners of any county or the governing body of any city may prescribe hours of closing, standards of conduct and rules and regulations concerning the moral, sanitary and health conditions of places licensed pursuant to this act and may establish zones within which no such place may be located.

(b) Except as provided by subsection (g), no cereal malt beverages may be sold:

(1) Between the hours of 12:00 midnight and 6:00 a.m.;

(2) on Sunday, except in a place of business which is licensed to sell cereal malt beverage for consumption on the premises ~~and~~, which derives not less than 30% of its gross receipts from the sale of food for consumption on the licensed premises ~~and which is located in a county where such sales on Sunday have been authorized by resolution of the board of county commissioners of the county or in a city where such sales on Sunday have been authorized by ordinance of the governing body of the city~~; or

(3) on the day of any national, state, county or city election, including primary elections, during the hours the polls are open, within the political area in which such election is being held.

(c) No private rooms or closed booths shall be operated in a place of business, but this provision shall not apply if the licensed premises are also currently licensed as a club pursuant to the club and drinking establishment act.

(d) Each place of business shall be open to the public and to law enforcement officers at all times during business hours, except that a premises licensed as a club pursuant to the club and drinking establishment act shall be open to law enforcement officers and not to the public.

(e) No licensee shall permit a person under the legal age for consumption of cereal malt beverage to consume or purchase any cereal malt beverage in or about a place of business, and no licensee shall permit a person under the legal age for consumption of cereal malt beverage to possess cereal malt beverage in or about a place of business, except that a licensee's employee who is not less than 18 years of age may dispense or sell cereal malt beverage, if:

(1) The licensee's place of business is licensed only to sell cereal malt beverage at retail in original and unopened containers and not for consumption on the premises; or

(2) the licensee's place of business is a licensed food service establishment, as defined by K.S.A. 36-501 and amendments thereto, and not less than 50% of the gross receipts from the licensee's place of business is derived from the sale of food for consumption on the premises of the licensed place of business.

(f) No person shall have any alcoholic liquor in such person's possession while in a place of business, unless the premises are currently licensed as a club or drinking establishment pursuant to the club and drinking establishment act.

(g) Cereal malt beverages may be sold on premises which are licensed pursuant to both the acts contained in article 27 of chapter 41 of the Kansas Statutes Annotated and the club and drinking establishment act at any time when alcoholic liquor is allowed by law to be served on the premises.

Sec. 5. K.S.A. 41-2704, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, is hereby repealed.

Sec. 6. On and after July 1, 1987, K.S.A. 41-2801 through 41-2804, K.S.A. 41-308, as amended by 1987 House Bill No. 2043, K.S.A. 41-308, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, K.S.A. 41-2614, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, K.S.A. 41-2614, as revived by this act, K.S.A. 41-2622, as amended by 1987 House Substitute for Substitute for Senate Bill No. 141, and K.S.A. 41-2633a, as amended by 1987 Senate Bill No. 318, are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body April 30, 1987.

HOUSE adopted Conference Committee report May 3, 1987.

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

Passed the SENATE as amended May 2, 1987.

SENATE adopted Conference Committee report May 3, 1987.

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

APPROVED May 12, 1987.

MIKE HAYDEN
Governor.

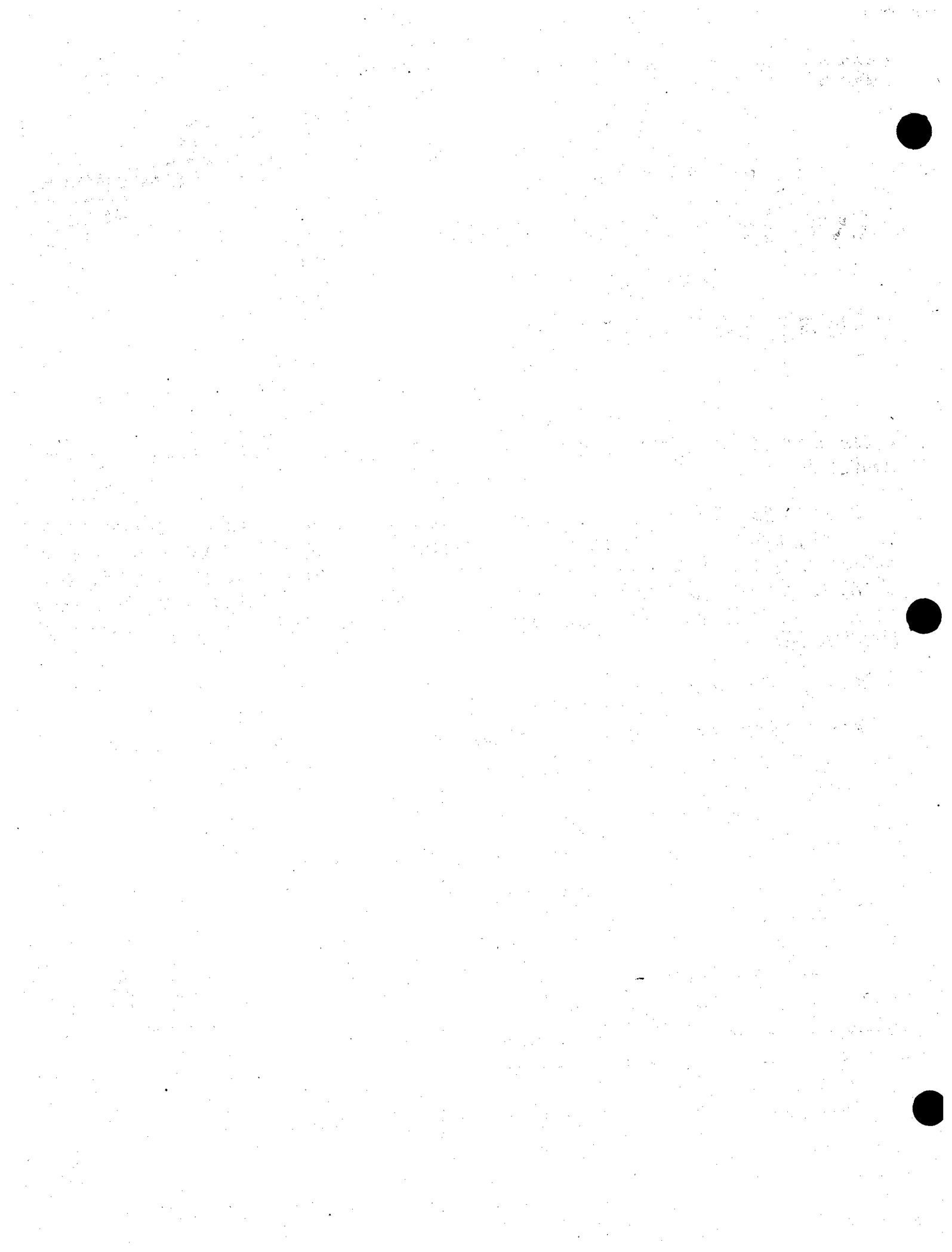
STATE OF KANSAS
Office of Secretary of State

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

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 12th day of May, 1987.

BILL GRAVES
Secretary of State.

(SEAL)



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