

KANSAS REGISTER

State of Kansas

BILL GRAVES
Secretary of State

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State of Kansas

ATTORNEY GENERAL**Opinion No. 87-159**

Drainage and Levees—Drainage in One or More Counties; Acts Prior to 1963—Levy Upon Lands for Repairs and Improvements.

Drainage and Levees—General Provisions—Special Emergency Fund. Richard Basore, Chairman, Eagle Drainage District, Topeka, October 29, 1987.

K.S.A. 24-136 provides for a special emergency fund, from which the board of directors of a drainage district can pay for most maintenance and repair work required in the operation of the drainage district. Cited herein: K.S.A. 24-133; 24-136; 24-627; 24-634. TMN

Opinion No. 87-160

Corporations—Agricultural Corporations—Prohibition Against Certain Corporations Owning Agricultural Land. Christopher Y. Meek, Cherokee County Attorney, Columbus, October 30, 1987.

The proscription against a corporation, directly or indirectly, owning, acquiring or otherwise obtaining or leasing any agricultural land is found in K.S.A. 1986 Supp. 17-5904, as amended by L. 1987, ch. 368, sec. 2. A hog raising operation where a corporation contracts with a farmer to raise hogs to a slaughter weight allows the corporation to indirectly acquire agricultural land in violation of the statute. Cited herein: K.S.A. 1986 Supp. 17-5903; 17-5904, as amended by L. 1987, ch. 368, sections 1 and 2; 1987 House Bill No. 2076, as introduced. GE

Opinion No. 87-161

State Departments; Public Officers and Employees—Private Investigation or Security Operations—Polygraphists. Mary Beth Mudrick, Executive Director, Kansas Board of Polygraphists, Topeka, October 30, 1987.

Although dual licensure of polygraphists appears unnecessary for the protection of the public health, safety and welfare, state statutes currently require polygraphists and polygraphist interns to be licensed both as polygraphists and private detectives. If the legislature intends to exempt polygraphists from the private investigative or security operations act, it must do so through actual amendment to the pertinent statutes. The rules of statutory construction do not allow repeal or amendment by implication in this situation. Cited herein: K.S.A. 75-7b01; L. 1987, ch. 283. JLM

Opinion No. 87-162

Taxation—Mortgage Registration and Intangibles; Mortgage Registration—Instruments Subject Thereto. Lynette Bennington, Stafford County Register of Deeds, St. John, October 30, 1987.

In determining whether a mortgage is entitled to K.S.A. 1986 Supp. 79-3102(d)(3) exemption, the register of deeds need not look beyond the four corners of the affidavit to ascertain that the mortgage is held by the assigns of the original lender. Failure to record an assignment does not render the assignment void and is thus not in itself conclusive evidence that the assignment is invalid.

A register of deeds may not be held personally liable for due and uncollected mortgage registration fees pursuant to K.S.A. 28-115. Failure of the register of deeds to whom a mortgage covering property in two or more counties is first presented to collect mortgage registration fees does not preclude another interested register of deeds from collecting the amount due. Cited herein: K.S.A. 28-115; K.S.A. 1986 Supp. 58-2209; 58-2211; K.S.A. 58-2221; 58-2222; 58-2223; 58-2306; 58-2308; 58-2318; 58-2321; L. 1985, ch. 322, § 1. JLM

ROBERT T. STEPHAN
Attorney General

Doc. No. 005958

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2nd Floor, State Capitol
Topeka, KS 66612-1594



Phone: (913) 296-3489

State of Kansas

GRAIN INSPECTION DEPARTMENT**NOTICE OF MEETING**

The Kansas State Grain Inspection Department will hold its quarterly Grain Advisory Board meeting at 9 a.m. Thursday, November 19, in the conference room of the Kansas Grain and Feed Dealers' Association, 816 S.W. Tyler, Topeka. The meeting is open to the public.

T. D. WILSON
Director

Doc. No. 005942

State of Kansas

DEPARTMENT OF ADMINISTRATION**STATE EMPLOYEES
HEALTH CARE COMMISSION****NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS**

A public hearing will be held at 10:30 a.m. Monday, November 30, in Room 313-S, State Capitol, Topeka, to consider the adoption of proposed changes in an existing rule and regulation of the Health Care Commission. This regulation is proposed for adoption on a temporary and permanent basis.

All interested parties may submit written comments prior to the hearing to the Secretary of Administration, Room 263-E, State Capitol, Topeka 66612. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit any oral presentation to five minutes.

A summary of the proposed regulation follows:

K.A.R. 108-1-1. This regulation is being amended to impose a 60-day plus the first of the month waiting period before state employees, hired on or after January 1, 1988, may be eligible to participate in the Kansas state health care benefits program.

Summary of fiscal impact: A waiting period for eligibility to participate in the Kansas state health care benefits program will save the state of Kansas an estimated \$819,280 annually. The fiscal impact of the waiting period on newly-hired employees cannot be quantified.

Copies of the regulation and the fiscal impact statement may be obtained from Health Benefits Administration, Room 908, Landon State Office Building, 900 S.W. Jackson, Topeka 66612, (913) 296-7483, (KANS-A-N 561-7483).

H. EDWARD FLENTJE
Chairman

Doc. No. 005967

State of Kansas

DEPARTMENT OF ADMINISTRATION**STATE EMPLOYEES
HEALTH CARE COMMISSION****REQUEST FOR PROPOSALS**

Notice is hereby given of request for proposals and commencement of negotiations for contracts for an Employee Assistance Counseling and Referral Program and Health Risk Appraisal Program to be effective February 1, 1988.

The Kansas State Employees Health Care Commission will receive proposals until 2 p.m. Tuesday, December 1 from those firms responding to the commission's request for proposals HCC-88B and HCC-88C.

H. EDWARD FLENTJE
Chairman

Doc. No. 005966

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES****NOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR ENGINEERING SERVICES**

Notice is hereby given of the commencement of negotiations for engineering services for boat ramps, roads and parking areas at the following locations:

- Douglas State Fishing Lake, near Baldwin.
- Geary State Fishing Lake, 8.5 miles south of Junction City.
- Perry Wildlife Area, near Valley Falls, Jefferson County.
- Kaw Wildlife Area, near Silverdale, Cowley County.
- Topeka, southeast of Billard Airport.
- Melvern Wildlife Area, Osage County.

Complete engineering services are required to include a preliminary engineering survey, design, construction documents and administration. The Kansas Department of Wildlife and Parks' standard boat ramp design is to be used. Site reviews with area managers on each site will be required prior to field surveys. Services shall also include the completion of all required Corps of Engineers permit applications.

Any questions or expressions of interest should be directed to Jack Roberts Nelson, Division of Architectural Services, 625 Polk, Topeka 66603, (913) 233-9367, prior to November 27.

ANN K. COLGAN
Acting Director, Division of
Architectural Services

Doc. No. 005954

State of Kansas

DEPARTMENT OF ADMINISTRATION

NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10:30 a.m. Monday, November 30, in Room 313-S, State Capitol, Topeka, to consider the adoption of proposed changes in existing rules and regulations of the Division of Personnel Services and the Division of Accounts and Reports.

All interested parties may submit written comments prior to the hearing to the Secretary of Administration, Room 263-E, State Capitol, Topeka 66612. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit any oral presentation to five minutes.

A summary of proposed regulations and their fiscal impact follows.

Division of Personnel Services

K.A.R. 1-2-5. Compensatory time credits. Changes in this regulation amend the definition of compensatory time credits. The amendments clarify that, with respect to overtime, compensatory time is time off in lieu of monetary payment for overtime worked. This definition is consistent with the terms of the Fair Labor Standards Act. There is no anticipated fiscal impact on state agencies, the general public or state employees as a result of these changes.

K.A.R. 1-5-13. Salary of employee appointed to a higher class. Proposed amendments to this regulation would extend to promotions and reclassifications the same options for appointment to a higher step as those available to newly-hired employees under K.A.R. 1-5-8. Employees appointed to a higher class by promotion or reclassification could be placed on the step of the new range approved by the director as the starting salary for original appointments to that class. The amendments also would state that the director may approve a starting salary above step A for an individual with exceptional qualifications.

State agencies promoting or reclassifying employees under these provisions could experience some increase in salary expenditures, and affected employees could receive a higher salary than available under the existing regulation. However, the fiscal impact cannot be quantified as it is not possible to determine how frequently these options would be used. There would not be a fiscal impact on the general public.

K.A.R. 1-6-22. Unskilled and semi-skilled labor appointments. Under this regulation, the director can designate certain unskilled and semi-skilled classes as "direct-entry" classes. Amendments to the regulation would require agencies to appoint individuals who are on reemployment lists for those classes before making a direct entry appointment. There is no anticipated fiscal impact upon state agencies, state employees or the general public from these regulations.

K.A.R. 1-9-6. Leave without pay. Amendments to this regulation expand the authorized bases for leave without pay to include the birth of the employee's child, adoption of a child by the employee, the initial placement of a foster child in the home of the employee or in order to care for a family member who has a serious health condition. These amendments were initially adopted on a temporary basis. As this regulation permits leave without pay, there is no anticipated fiscal impact on state agencies, state employees or the general public.

K.A.R. 1-9-8. Jury duty. Changes to this regulation delete a section which provides that an employee is not entitled to paid leave when the employee voluntarily seeks to testify as a witness against a state agency. As use of paid leave for this purpose would be extremely rare, the change would not result in any measurable fiscal impact on state agencies, state employees or the general public.

K.A.R. 1-14-11. Furlough leave without pay. This new regulation, which was initially adopted on a temporary basis, establishes procedures relating to furloughs without pay. Agencies may, with the approval of the Department of Administration, furlough employees within a defined group due to a shortage of funds for a pre-set number of hours in each affected payroll period. The regulation provides that employees' benefits, other than social security and retirement contributions, will remain unaffected during the furlough. Thus, there would be a fiscal impact on both state agencies and state employees when furloughs are utilized. However, the impact cannot be quantified as it is dependent upon the number of affected employees, their salary levels and the number of hours of leave without pay. There is no fiscal impact on the general public.

These regulations are proposed for adoption on a permanent basis. Copies of the regulations and their fiscal impact statements may be obtained from the Division of Personnel Services, 9th Floor, Landon State Office Building, 900 S.W. Jackson, Topeka 66612, (913) 296-4278, (KANS-A-N 561-4278).

Division of Accounts and Reports

K.A.R. 1-16-15. Reduced allowances. Changes to this regulation are procedural in nature. Normally, agencies must seek approval of the Secretary of Administration in order to pay reduced meals allowances or to reimburse employees for lodging expenses at a rate less than the expenses actually incurred. The amendments identify four types of situations in which reduced rates are automatically approved by the Secretary of Administration. No identifiable fiscal impact on state agencies, state employees or the general public is expected.

K.A.R. 1-16-18. Subsistence allowance; rates. These amendments implement L. 1987, Ch. 337, Sections 1 and 2. The statutory changes permit agency heads to approve reimbursement of travel expenses that exceed the limits established in this regulation by up to 50 percent. In addition, the regulation is being amended to provide actual reimbursement of meal and lodging

expenses incurred in international travel, without limitation.

Implementation of L. 1987, Ch. 337 could increase agency expenditures for individual trips, but agencies retain control over total travel expenditures and would be limited by their travel budgets. The ability to exceed the maximum reimbursement rates established in this regulation could reduce the number of instances in which state employees are not reimbursed for all of their actual travel expenses. As the frequency of international travel is very low, no significant fiscal impact on state agencies is expected due to that proposed change. There is no anticipated fiscal impact on the general public.

K.A.R. 1-16-18a. Designated high cost geographic areas. This regulation is amended to reflect current information about the cost of travel to cities within the United States. Four cities are no longer classified as high cost areas and 12 areas have been added to the list. Therefore, individual employees traveling to those cities will be subject to increased or decreased limits on travel expense reimbursement. As travel patterns for the state vary from year to year, the overall fiscal impact of these changes on state agencies is undeterminable. However, no measurable fiscal impact on the state or the general public is anticipated.

K.A.R. 1-18-1a. Mileage rates. This regulation establishes the mileage rates for reimbursing witnesses, jurors, employees and public officials of municipal subdivisions, as well as employees of the state, for use of privately-owned conveyances in official travel. The proposed amendment would increase the mileage rate for privately-owned automobiles from 20.5 to 21 cents per mile.

Based on the mileage reimbursements paid to state employees during fiscal year 1987, the proposed amendments could increase reimbursements by \$101,900 statewide during fiscal year 1989. Of that amount \$37,900 is estimated to be chargeable to the state general revenue fund. The fiscal impact on local units of government cannot be determined. No impact on the general public is anticipated.

K.A.R. 1-24-1. Written authorization. This regulation establishes procedures related to United Way payroll deductions and is being amended to update those procedures. K.A.R. 1-24-2, which also relates to United Way deductions, is being revoked; its provisions will be incorporated in K.A.R. 1-24-1. These changes are not expected to create any fiscal impact on state agencies, the United Way or the general public.

These regulations are proposed for adoption on a permanent basis. In addition, K.A.R. 1-16-15, K.A.R. 1-16-18, K.A.R. 1-16-18a, K.A.R. 1-24-1, and K.A.R. 1-24-2 (revoked) are proposed for adoption on a temporary basis. Copies of the regulations and their fiscal impact statements may be obtained from the Division of Accounts and Reports, 3rd Floor, Landon State Office Building, 900 S.W. Jackson, Topeka 66612, (913) 296-2311, (KANS-A-N 561-2311).

H. EDWARD FLENTJE
Secretary of Administration

Doc. No. 005968

State of Kansas

KANSAS INC.

NOTICE OF MEETING

The Kansas Inc. board will meet at 9 a.m. Wednesday, November 18, in the "View Room" of the Mission Hills Country Club. For further information contact (913) 296-1460. The meeting is open to the public.

F. TIM WITSMAN
President

Doc. No. 005959

State of Kansas

DEPARTMENT OF TRANSPORTATION

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 9 a.m. Monday, November 30, in the Kansas Department of Transportation conference room, seventh floor, Docking State Office Building, Topeka, to consider the adoption of permanent administrative regulations concerning junkyard and salvage control.

All interested parties may submit written comments prior to the hearing to the Secretary of Transportation, Attention: Edward DeSoignie, 7th Floor, Docking State Office Building, Topeka 66612. All interested parties that desire to present their views orally on the adoption of the regulations during the hearing are requested to provide prior written notice to the Department of Transportation no later than 5 p.m. Wednesday, November 25.

Copies of the full text of the regulations and the fiscal impact statements may be obtained by contacting Edward DeSoignie at the address above.

The following is a brief summary of the proposed regulations:

K.A.R. 36-27-2, 36-27-3, 36-27-4, 36-27-6, 36-27-7, 36-27-8, 36-27-11, 36-27-12, and 36-27-13 are being revised to reference "certificates of compliance" as required by 1987 Senate Bill No. 311 (1987 Session Laws, Ch. 263).

K.A.R. 36-27-5a designates the beautification administrator as the representative of the Secretary of Transportation for purposes of administering the Junkyard and Salvage Control Act.

The proposed permanent regulations of the Department of Transportation will have no additional fiscal impact on the general public, private businesses, or other state agencies.

HORACE B. EDWARDS
Secretary of Transportation

Doc. No. 005965

State of Kansas

LEGISLATURE

INTERIM COMMITTEE SCHEDULE

The following committee meetings have been scheduled during the period of November 16 through November 29:

Date	Room	Time	Committee	Agenda
Nov. 16 Nov. 17	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on Assessment and Taxation	Cancelled.
Nov. 16 Nov. 17	123-S 123-S	10:00 a.m. 9:00 a.m.	Special Committee on Ways and Means	16th: Review committee report drafts. 17th: Presentation by consultant on Proposal No. 36—Retirants Health Care Benefits.
Nov. 17 Nov. 18	527-S 527-S	10:00 a.m. 9:00 a.m.	Legislative Educational Planning Committee	Committee discussion and directives to staff for draft reports on Proposals No. 21, 22 and 23.
Nov. 18	519-S	10:00 a.m.	Special Committee on Transportation	Approval of committee report on Proposals No. 31, 32 and 41.
Committee will not meet on Nov. 17.				
Nov. 19	519-S	10:00 a.m.	Special Committee on Agriculture and Livestock	Approval of committee reports on Proposals No. 1, 2, 3, 4 and 43.
Committee will not meet on Nov. 20.				
Nov. 23 Nov. 24	123-S 123-S	10:00 a.m. 9:00 a.m.	Joint Committee on State Building Construction	Review of selected state agencies' FY 1989 capital improvement requests; annual status report from the office of Attorney General on state construction litigation; status report on Capitol Complex master plan update.
Nov. 23 Nov. 24	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on Energy and Natural Resources	23rd: Report from KDHE on host state selection; and review of report and bill drafts on hazardous waste portion of Proposal No. 12—Hazardous and Low-Level Radioactive Waste. 24th: Review of report and bill drafts on Proposal No. 11—Kansas Wildlife and Parks Department.
Nov. 24	531-N	9:00 a.m.	Special Committee on Public Health and Welfare	Agenda unavailable.

WILLIAM R. BACHMAN
Director of Legislative
Administrative Services

State of Kansas

**COMMISSION ON WILDLIFE
AND PARKS****NOTICE OF MEETING**

A meeting of the Kansas Commission on Wildlife and Parks is scheduled for Tuesday, November 17 and Wednesday, November 18 in the Convention Center (Rooms B and C) of the Howard Johnson Motor Lodge 3839 S.W. Topeka Blvd., Topeka. The meeting will begin at 1:30 p.m. November 17 and a public hearing to consider the adoption of permanent and exempt regulations of the department will begin at 7 p.m. at the same location. Agenda for the 1:30 meeting includes reorganization update, 1988 legislative topics, a Wildtrust briefing, building construction at the El Dorado Honor Camp, and other general business items.

The meeting may continue at 8 a.m. November 18 to conclude any unfinished business.

GERALD W. TOMANEK
Commission Chairman

Doc. No. 005960

State of Kansas

BOARD OF EXAMINERS IN OPTOMETRY**NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS**

A public hearing will be conducted at 4:30 p.m. Monday, November 30, in the law offices of Frieden & Forbes, 400 S.W. 8th, Suite 409, Topeka, to consider the adoption of proposed permanent rules and regulations of the Board of Examiners in Optometry. These regulations will have no immediate or long-range fiscal impact on private business, state agencies or the public.

All interested parties may submit written comments prior to the hearing in care of the Board of Examiners in Optometry at the address above. All interested parties will be given a reasonable opportunity at the hearing to orally present their views in regard to the adoption of the proposed regulations. 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 not more than five minutes.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the board as the basis for making changes to these proposed regulations.

Summaries of the regulations follow. Copies of the regulations and the fiscal impact statement may be obtained at the address above.

The following is a brief summary of the proposed regulations:

Article 6—General Provisions

K.A.R. 65-6-6 is revoked. The definition of optometry is adequately set out in K.S.A. 16-1501.

K.A.R. 65-6-8 discusses who shall issue licenses; it

is revised to clarify that the "secretary" is actually the "secretary-treasurer" of the board.

K.A.R. 65-6-11 discusses accredited schools/colleges of optometry. It sets the standard for accreditation as not less than that of the University of Missouri—St. Louis, school of optometry.

K.A.R. 65-6-12 deals with grounds by which the board may refuse to admit a candidate to its examination.

K.A.R. 65-6-16 concerns examinations. It describes the general nature of the license examination and establishes the minimum standards for passage. Revisions were made to reflect the 1987 amendments to K.S.A. 65-1501(b). Discussion of the application process is deleted here and dealt with in K.A.R. 65-6-37.

K.A.R. 65-6-17, on fees, is revoked.

K.A.R. 65-6-24, which required an optometrist practicing in more than one location to file a written report, is revoked.

K.A.R. 65-6-25 deals with continuing education requirements and is revised in light of 1987 amendments to K.S.A. 65-1509(a).

K.A.R. 65-6-30, definitions, is revised to amend the definition of "unauthorized drugs" as used in K.S.A. 65-1506.

K.A.R. 65-6-31, discussing revocation or suspension of license, is revoked.

K.A.R. 65-6-32, stating optometrists must practice for three consecutive years, is revoked.

K.A.R. 65-6-33, which concerns the procedure for complaints before the board, is amended to implement and take full advantage of the provisions of the Kansas Administrative Procedures Act.

K.A.R. 65-6-37 is a proposed new regulation describing the procedure by which an optometrist applies to the board for licensure. This regulation is necessary because discussion of the application process was deleted from K.A.R. 65-6-16.

K.A.R. 65-6-38 is a proposed new regulation which establishes the requirement that a person graduating from a foreign school of optometry must demonstrate a reasonable ability to communicate in English.

Article 7—Code of Ethics

K.A.R. 65-7-3, which defines proper equipment and sanitary conditions, is revoked due to lack of necessity. Minimum standards are adequately defined at K.A.R. 65-6-36.

K.A.R. 65-7-10, concerning agreement for referral of patients, is revoked because the subject matter is sufficiently addressed in K.S.A. 65-1506(4).

**BOARD OF EXAMINERS
IN OPTOMETRY**

Doc. No. 005969

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.S.T. on the date indicated, and then will be publicly opened. Interested bidders may call (913) 296-2377 for additional information.

MONDAY, NOVEMBER 23, 1987

#26701

Department of Health and Environment—
**NEONATAL HYPOTHYROID SCREENING
 PROGRAM**

#26839

Statewide—**DETECTION STRIPS**

#27432

Statewide—**DAIRY PRODUCTS**

#71719

Department of Wildlife and Parks—
ELECTROFISHING BOAT

#71720

Kansas State University—**FARM EQUIPMENT**

#71751

University of Kansas—**NO. 5 LIGHT FUEL OIL**

TUESDAY, NOVEMBER 24, 1987

#A-5292

Parsons State Hospital and Training Center—
LIGHTNING ARRESTERS AND FUSE CUTOUPS

#71666

Department of Wildlife and Parks—**BOATS AND
 MOTORS**

#71702

Kansas State Penitentiary—**CHEMISTRY
 ANALYZER**

FRIDAY, DECEMBER 4, 1987

#27414

Statewide—**FINE PAPER PRODUCTS: CUT,
 WRAPPED AND PRINTING PAPERS**

THURSDAY, DECEMBER 10, 1987

#27725

University of Kansas—**PRE-SORT MAILING
 SERVICE**

MONDAY, DECEMBER 14, 1987

#27726

Department of Wildlife and Parks—**LEASE OF
 LAND**

NICHOLAS B. ROACH
 Director of Purchases

Doc. No. 005952

State of Kansas
KANSAS STATE UNIVERSITY

NOTICE TO BIDDERS

Sealed bids for items listed below will be received by the Kansas State University Purchasing Office, Manhattan, until 2 p.m. C.S.T. on the date indicated and then will be publicly opened. Interested bidders may call (913) 532-6214 for additional information.

MONDAY, NOVEMBER 23, 1987

#80015

D-Glucose and N-Acetyl Glucosamine

WILLIAM H. SESLER
 Director of Purchasing

Doc. No. 005951

State of Kansas
BOARD OF ACCOUNTANCY

**NOTICE OF HEARING
 ON PROPOSED
 ADMINISTRATIVE REGULATIONS**

The Board of Accountancy will conduct a public hearing for considering amendments to present administrative regulations and adoption of new regulations, concerning registration of partnerships and professional associations, at 1:30 p.m. Tuesday, December 1, in Conference Room 108, Landon State Office Building, 900 S.W. Jackson, Topeka.

The following summarizes the regulations to be considered:

74-5-202, Auditing Standards, and 74-5-203, Accounting Principles, will be amended to update the most recent AICPA and FASB released interpretations.

74-7-2 is being amended to show that annual partnership registration is now required; 74-8-2 is being amended to show that annual registration is now required by statute for professional associations as well as partnerships; and 74-8-3 is a new regulation pertaining to requirements to register professional associations.

Since there is no charge to initially or annually register partnerships or professional associations to practice in Kansas, there is not expected to be any fiscal impact by the adoption of these regulations on any government agencies, private businesses or the general public.

Copies of the regulations as they are proposed can be obtained at the board office, Suite 907, Landon State Office Building.

GLENDA SHERMAN
 Board Secretary

Doc. No. 005943

State of Kansas
**SOCIAL AND REHABILITATION SERVICES
 DIVISION OF SERVICES FOR THE BLIND
 ADVISORY COMMITTEE**

NOTICE OF MEETING

The Division of Services for the Blind Advisory Committee will meet at 10 a.m. Friday, November 20, in the Rehabilitation Center for the Blind conference room, 2516 W. 6th, Topeka.

RICHARD A. SCHUTZ
 Director, Division of
 Services for the Blind

Doc. No. 005955

State of Kansas

**STATE CORPORATION COMMISSION
 MINED-LAND CONSERVATION
 AND RECLAMATION BOARD**

**NOTICE OF HEARING
 ON PROPOSED
 ADMINISTRATIVE REGULATIONS**

A public hearing will be conducted at 10 a.m. Tuesday, December 1, at the State Corporation Commission, fourth floor, Docking State Office Building, Topeka, to consider the adoption of proposed permanent regulations of the Kansas Mined-Land Conservation and Reclamation Board.

All interested parties may submit written comments prior to the hearing to the chairman of the Mined-Land Conservation and Reclamation Board, Attention: Jo E. Jenkins, Legal Counsel, State Corporation Commission, 4th Floor, Docking State Office Building, Topeka 66612. Copies of the proposed permanent regulations and the fiscal impact statement may be obtained at that address. Persons requesting a copy of the proposed regulations, in accordance with L. 1984, Ch. 282, § 2, will be required to compensate the board for the cost of reproduction. All interested parties will be given a reasonable opportunity at the hearing to orally present their views in regard to the adoption of the proposed regulations.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the board as the basis for making changes to these proposed regulations.

K.A.R. 47-2-75, 47-3-42, 47-7-2, 47-9-1, 47-10-1 and 47-12-4 will be amended. All of these existing regulations incorporate by reference federal regulations promulgated to implement the Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87). These existing regulations will be replaced by the proposed permanent regulations.

K.A.R. 47-2-75. This regulation contains definitions of terms used in the board's rules and regulations. It is amended to remove the definition of "adverse physical impact" and amend the definition of "previously mined area." No substantive changes have been made.

K.A.R. 47-3-42. This regulation identifies various material which must be included with each permit and the procedures for board action on permits and applications. This regulation is amended to require a permit applicant to address life-of-the-mine hydrologic impacts in the probable hydrologic consequences determination and further to assure that appropriate information and consideration be accorded historic properties during permitting of mining operations.

K.A.R. 47-7-2. This regulation pertains to coal exploration. The proposed amendment requires applications for a coal exploration permit or notices of intent to explore to contain narratives describing the exploration area. The proposed revision also requires applications for exploration operations for removal of more than 250 tons of coal include information regarding historic or archeological resources.

K.A.R. 47-9-1. This regulation relates to the performance standards in conducting coal mining and reclamation operations. This regulation incorporates by reference the board's performance standards. This regulation will be amended to reflect current OSM performance standards as follows:

- (1) elimination of underwater highwalls consistent with 30 C.F.R. 816.49(a)(9) and 817.49(a)(9);
- (2) prohibition to end or side dumping pursuant to 30 C.F.R. 816.81(a) and 817.81(a);
- (3) establishment of a 90 percent compaction standard of 30 C.F.R. 816.81(c)(2) and 817.81(c)(2);
- (4) establishment of maximum of 2-foot lifts contained in 30 C.F.R. 816.33 and 817.33;
- (5) clarification of backfilling and grading standards;
- (6) establishment of revegetation measurements;
- (7) clarification of post-mining land use; and
- (8) establishment of contemporaneous reclamation standards.

K.A.R. 47-10-1. This regulation pertains to underground mining. It will be amended to require a permit applicant to address life-of-the-mine hydrologic impacts in probable hydrologic consequences determination and to protect historic or archeological properties.

K.A.R. 47-12-4. This regulation will be amended to adopt current OSM regulations concerning lands unsuitable for mining. There are three changes from the existing regulations. First, the definitions of "cemetery" and "valid existing rights" are being revised; second, the protections given lands unsuitable for mining are being extended to all properties listed on the National Register of Historic Places; and third, the ability to suspend the processing of petitions to declare lands unsuitable for mining will be eliminated.

JUDITH McCONNELL
 Executive Director

Doc. No. 005945

State of Kansas

STATE CORPORATION COMMISSION

NOTICE OF HEARING
ON PROPOSED

ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10 a.m. Tuesday, December 1, at the State Corporation Commission, fourth floor, Docking State Office Building, Topeka, to consider the adoption of proposed permanent regulations of the Transportation Division.

All interested parties may submit written comments prior to the hearing to the executive director, Attention: Shirla R. McQueen, Assistant General Counsel, State Corporation Commission, 4th Floor, Docking State Office Building, Topeka 66612. Copies of the proposed permanent regulations and the fiscal impact statement may be obtained at the same address. Persons requesting a copy of the proposed regulations, in accordance with K.S.A. 45-219, will be required to compensate the commission for the cost of reproduction. All interested parties will be given a reasonable opportunity at the hearing to orally present their views in regard to the adoption of the proposed regulations.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the commission as the basis for making changes to the proposed regulations.

The commission proposes to amend K.A.R. 82-4-3, 82-4-20 and 82-4-65.

K.A.R. 82-4-3. This regulation pertains to motor carrier safety. It incorporates, by reference, certain parts of the federal rules and regulations promulgated by the U.S. Department of Transportation, Federal Highway Administration and Bureau of Motor Carrier Safety. The proposed amendment will reflect only the amendments of the federal rules and regulations. The substantive changes are:

- (1) requirement of operational brakes on all wheels of commercial motor vehicles that weigh over 10,000 lbs.;
- (2) adjustment of the minimum dollar limit for reporting accidents;
- (3) requirement of an out-of-service period of 24 hours for commercial drivers of motor carriers who violate the intoxicating beverage regulations;
- (4) requirement that permits the possession of a single driver's license from one state;
- (5) amendments to the hazardous materials regulations.

K.A.R. 82-4-20. This regulation pertains to the transportation of hazardous materials by motor vehicles. It incorporates, by reference, certain parts of the federal hazardous materials rules and regulations promulgated by the U.S. Department of Transportation. The proposed amendment will reflect only the amendments to the federal rules and regulations.

K.A.R. 82-4-65. This regulation pertains to protests against the granting of a permit, certificate, extension, abandonment or transfer. The proposed amendment states that a protest must include specific allegations

as to how the applicant is not fit, willing and able to perform such services or how the proposed services are otherwise inconsistent with the public convenience and necessity.

JUDITH McCONNELL
Executive Director

Doc. No. 005949

State of Kansas

STATE CORPORATION COMMISSION

NOTICE OF HEARING
ON PROPOSED

ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10 a.m. Tuesday, December 1, by the State Corporation Commission at the commission's office, Hearing Room B, fourth floor, Docking State Office Building, Topeka, to receive written comments and testimony on the commission's proposed new and amended rules of practice and procedures.

Persons may review the proposed regulations at the office of the State Corporation Commission between the hours of 7:50 a.m. and 4:50 p.m. Monday through Friday. The regulations will be available for review until the time of the hearing.

Persons may receive a copy of the proposed amendments to the regulations and the fiscal impact statement by written request to the director of the Utilities Division, State Corporation Commission, 4th Floor, Docking State Office Building, Topeka 66612. Persons requesting a copy of the proposed regulations, in accordance with the Open Records Act (K.S.A. 45-219), will be required to compensate the commission for the cost of reproduction.

The following is a brief summary of the proposed regulations:

K.A.R. 82-1-231. Proposed amendment. This regulation states the procedures, application, and evidence required in utility rate case proceedings before the State Corporation Commission. This regulation would be amended to allow for the alternative filing set out in K.A.R. 82-1-231a.

K.A.R. 82-1-231a. Proposed regulation. This regulation would allow rural electric distribution cooperatives with membership of less than 15,000 to prepare a less extensive rate case application with schedules that are more appropriate to the operations of smaller utilities. This regulation sets out the application, evidence, and general procedure required for such alternative filing.

SCOTT STOCKWELL
Director, Utilities Division

Doc. No. 005963

State of Kansas

STATE CORPORATION COMMISSION

NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10 a.m. Tuesday, December 1, in Hearing Room A, fourth floor, Docking State Office Building, Topeka, to consider the adoption of proposed permanent regulations for the conservation of crude oil and natural gas.

All interested parties may submit written comments prior to the hearing to the State Corporation Commission, Attn: Shari M. Feist, Director, 200 Colorado Derby Building, 202 W. 1st, Wichita 67202. Copies of the regulations and the fiscal impact statements may be obtained at the Wichita address. Persons requesting a copy of the proposed regulations, in accordance with K.S.A. 45-219, will be required to compensate the commission for the cost of reproduction. All interested parties will be given a reasonable opportunity at the hearing to present their views, orally or in writing, in regard to the adoption of the proposed regulations.

All written or oral comments submitted by interested parties on or before December 1 will be considered by the commission as a basis for making changes to these proposed permanent regulations.

The following is a brief summary of the proposed regulations:

K.A.R. 82-3-101 (permanent regulation). Amends the definition section of the rules and regulations by adding two new definitions and amending four existing definitions. The new definitions are as follows: recompletion and spill. The amended definitions are as follows: gas well, oil well, spud date, and tertiary recovery process.

K.A.R. 82-3-103 (permanent regulation). The amendment requires that the source of drilling water be noted on the "Notice of Intention to Drill" and clarifies that operators are required to notify appropriate district offices prior to spudding the well.

K.A.R. 82-3-106 (permanent regulation). The amendment deletes: (1) the requirement that exceptions to Table I requirements be set for notice of hearing, and (2) the requirement that time extensions for additional cementing be approved by the commission. The amendment allows such exception and extension to be granted by the director of the Conservation Division. The amendment further requires that cement for casing strings be in place for at least eight hours until the cement has reached a compressive strength of 300 lbs. per square inch.

K.A.R. 82-3-107 (permanent regulation). The amendment extends the application of confidentiality to recompleted wells as well as newly developed wells. The amendment to this regulation further requires that any exception to the regulation be pursued only after notice and through the hearing process.

K.A.R. 82-3-108 (permanent regulation). The amendment changes the requirement for provision of notice of hearing from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-109 (permanent regulation). The amendment provides that three instead of five such applications need to be filed with the secretary of the commission and further changes the requirement for provision of notice of hearing be given from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-112 (permanent regulation). The amendment clarifies that the Conservation Division has the authority to fix the procedure for the taking of shut-off tests.

K.A.R. 82-3-117 (permanent regulation). The amendment changes the requirement for the filing of plugging reports from within 30 days to within 60 days after the plugging of a well.

K.A.R. 82-3-123 (permanent regulation). The amendment changes the requirement for provision of notice of hearing from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-124 (permanent regulation). The amendment changes the requirement for the provision of notice of hearing from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-131 (permanent regulation). The amendment changes the requirement for the provision of notice of hearing from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-132 (permanent regulation). The amendment deletes reference to recompleted wells.

K.A.R. 82-3-135 (permanent regulation). The amendment changes the requirement placed on the commission for the mailing of copies of notices of hearing from 13 to 33 days prior to the hearing date.

K.A.R. 82-3-138 (permanent regulation). The amendment clarifies that newly discovered pools are recognized only upon the filing and approval of an application and further clarifies that if only a discovery allowable is requested the application shall contain affidavits indicating the date service of the application is made. The amendment further changes the provisions for notice of hearing from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-140 (permanent regulation). The amendment changes the filing requirement from five to three copies of the application.

K.A.R. 82-3-141 (permanent new regulation). This new regulation specifies that within 120 days of the date of commencement of recompletion of a well that the operator shall file an original and two copies of an affidavit of recompletion with the Conservation Division.

K.A.R. 82-3-202 (permanent regulation). The amendment provides an exemption from testing of oil wells on wells which produced less than 25 barrels of oil per day at the time of the last current productivity test. The amendment further specifies that such wells will remain exempt unless the well becomes capable of producing in excess of 25 barrels of oil per day, or unless otherwise ordered by the commission.

K.A.R. 82-3-204 (permanent regulation). The amendment deletes the requirement that purchasers report their purchases to the commission and clarifies

(continued)

that reports from producers shall be filed with the Conservation Division.

K.A.R. 82-3-207 (permanent regulation). The amendment deletes reference to the granting of bonus allowables.

K.A.R. 82-3-300 (permanent regulation). The amendment requires that applications for gas allowables contain an affidavit indicating the date service of the application was made to royalty interests, operators, lessees of record of non-producing acreage, and mineral owners in unleased acreage. The amendment further changes the filing requirement from five to three copies of the application.

K.A.R. 82-3-302 (permanently revoked regulation). This regulation is being revoked since it duplicates an existing regulation, K.A.R. 82-3-304.

K.A.R. 82-3-304 (permanent regulation). The amendment clarifies that testing procedures performed either pursuant to the commission's regulations or special orders shall be conducted under the supervision of the Conservation Division and that such tests shall be witnessed by representatives of producers in the field upon request for notification. The amendment further provides an exemption from the testing of gas wells where the gas well had an absolute open flow of 65 mcf of gas per day or less at the time of its last current test. The amendment further allows such wells to remain exempt from testing unless the well becomes capable of producing more than 65 mcf of gas per day, or unless otherwise ordered by the commission.

K.A.R. 82-3-306 (permanent regulation). The amendment requires gas producers to file verified monthly reports with the Conservation Division on or before the 20th day of each month succeeding the month in which production occurred.

K.A.R. 82-3-311 (permanent regulation). The amendment changes the requirements for provision of notice from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-312 (permanent regulation). The amendment provides that the standard drilling unit for a gas well is 10 acres unless well location exception is sought for such well pursuant to K.A.R. 82-3-108(c). The amendment further deletes the limitation of the regulation to gas wells drilled to depth of less than 2000'.

K.A.R. 82-3-400 (permanent regulation). The amendment makes reference to the latest revisions to Table II and deletes reference to the Department of Health and Environment.

K.A.R. 82-3-401 (permanent regulation). The amendment adds a factor to be considered by the commission in approving injection or disposal applications. This factor is the construction of all oil and gas wells within a ¼ mile radius of the proposed injection or disposal well. The amendment further defines disposal zone and producing zone as used within the regulation.

K.A.R. 82-3-502 (permanent regulation). The amendment clarifies that Natural Gas Policy Act terminations can be granted without hearing and

changes the requirement for provision of notice from 10 days to 30 days prior to the hearing date.

K.A.R. 82-3-602 (permanent regulation). The amendment clarifies that disposal of solid contents from surface ponds may be removed to a permitted off-site disposal area or an on-site disposal area. The amendment further specifies that drilling pits shall be abandoned and enclosed within a maximum of 365 calendar days of the spud date of the well and that such permits may be extended in excess of 365 days upon request by the operator and with the approval of the Conservation Division director.

K.A.R. 82-3-603 (permanent regulation). The amendment clarifies that spill notification is required within 24 hours of discovery of a spill and specifies the requirements of such notification. The amendment further enables the district office to modify an operator's cleanup proposal, witness cleanup operations, and establish time frames in which cleanup is to occur. The amendment further requires that emergency pits shall be emptied of fluids within 48 hours after the discharge is discovered or as authorized by the appropriate district office.

SHARI M. FEIST
Director, Conservation Division

Doc. No. 005950

(Published in the KANSAS REGISTER, November 12, 1987.)

NOTICE OF BOND SALE

\$1,165,000

**City of Junction City, Kansas
General Obligation Bonds
Series CW (Swimming Pool)**

Sealed Bids

Sealed bids for the purchase of \$1,165,000 principal amount of general obligation bonds, Series CW (swimming pool), of the city hereinafter described, will be received by the undersigned city clerk of the city of Junction City, Kansas, on behalf of the governing body of the city at City Hall, 700 N. Jefferson, Junction City; until 7 p.m. C.S.T. on Tuesday, November 17, 1987. All bids will be publicly opened and read at said time and place and will be acted upon by the city immediately thereafter. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated December 1, 1987, and will become due serially on September 1 in the years as follows:

Year	Principal Amount
1989	\$ 40,000
1990	45,000
1991	50,000
1992	55,000
1993	60,000
1994	60,000
1995	65,000
1996	75,000
1997	80,000
1998	85,000

1999	95,000
2000	100,000
2001	110,000
2002	120,000
2003	125,000

The bonds will bear interest at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on September 1, 1988.

Place of Payment and Bond Registration

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the Kansas State Treasurer, Topeka, Kansas (the paying agent and bond registrar). The principal of the bonds will be payable at maturity or upon earlier redemption to the registered owners upon presentation and surrender of the bonds at the office of the paying agent. Interest on the bonds will be paid by check or draft mailed by the paying agent to the persons in whose names the bonds are registered on the registration books maintained by the bond registrar at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date.

The city will pay for the fees of the bond registrar for registration and transfer of the bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the bond registrar, will be the responsibility of the bondholders.

Redemption of Bonds Prior to Maturity

At the option of the city, bonds maturing on September 1, 1998 and thereafter will be subject to redemption and payment prior to maturity on September 1, 1997, and thereafter in whole or in part on any interest payment date (bonds of less than a single maturity to be selected by lot in multiples of \$5,000 principal amount by the paying agent and bond registrar in such equitable manner as it shall designate), at the principal amount thereof, plus accrued interest to the redemption date, without premium.

Whenever the city is to select the bonds for the purpose of redemption, it shall, in the case of bonds in denominations greater than \$5,000, if less than all of the bonds then outstanding are to be called for redemption, treat each \$5,000 of face value of each such fully registered bond as though it were a separate bond of the denomination of \$5,000.

If the city shall elect to call any bond for redemption and payment prior to the maturity thereof, the city shall give written notice of its intention to redeem and pay said bonds on a specified date, the same being described by number and maturity, said notice to be mailed by United States registered or certified mail addressed to the registered owners of said bonds, to the paying agent and bond registrar, and to the manager or managers of the underwriting account making the successful bid, each of said notices to be mailed at least 30 days prior to the redemption date. If any bond

be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of $\frac{1}{8}$ or $\frac{1}{20}$ of 1 percent. No interest rate shall exceed the index of treasury bonds published by the weekly Credit Markets in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. The difference between the highest rate specified and the lowest rate specified shall not exceed 1.5 percent. No supplemental interest payments will be authorized. No bid of less than the principal amount of the bonds and accrued interest will be considered. Each bid shall specify the total interest cost to the city during the life of the bonds issue on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the city on the basis of such bid. Each bid shall also specify the average annual net interest rate to the city on the basis of such bid. Bidders shall specify in the bid form the prices (exclusive of accrued interest), expressed as a dollar price, at which the bidder intends that each maturity amount of the bonds shall be initially offered to the public (the initial reoffering prices).

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the city, which will 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 the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the city shall determine which bid, if any, shall be accepted, and its determination shall be final.

Authorization, Purpose and Security for the Bonds

The bonds are being authorized and issued to permanently finance the city's swimming pool improvement project. The bonds 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, real and personal, within the territorial limits of the city.

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 regarding obligations of state and local units of government are generally effective for obligations such as the bonds issued after August 31, 1986. Certain of these provisions

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impose requirements on the city which must be met subsequent to the issuance of the bonds by the city and, as a result, the city will and does hereby covenant that it will diligently undertake those steps necessary to maintain the tax-exempt status of the bonds. The city's failure to comply with such requirements could adversely affect the tax-exempt status of the bonds. Purchasers of the bonds should be aware that should the bonds lose their status as tax-exempt obligations as a result of the city's failure to comply with such requirements, the bonds are neither callable nor will the rate of interest on the bonds be adjusted to reflect such circumstances.

The code includes interest on tax-exempt obligations, such as the bonds, in the adjusted net book income of certain corporations for taxable years beginning after December 31, 1986, and includes, through 1989, in the calculation of alternative minimum taxable income one-half of the excess of a corporation's adjusted net book income over its alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). After 1989, the use of "book income" will be replaced by "adjusted current earnings," with certain other adjustments. Furthermore, Section 59A of the code, as added by the Superfund Amendments and Reauthorization Act of 1986, provides for a new environmental tax generally based on corporate alternative minimum taxable income. The amount of the tax is equal to 0.12 percent of the excess of alternative minimum taxable income, without regard to net operating losses and the deduction for this tax, over \$2 million. The environmental tax is imposed whether or not the taxpayer is subject to the alternative minimum tax. The environmental tax, which is effective for taxable years beginning after December 31, 1986, may subject certain bondowners to additional taxation for interest earned on the bonds.

The code also requires property and casualty insurance companies, for taxable years beginning on or after January 1, 1987, 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.

With the exception of certain "qualified tax-exempt obligations," the code provides that banks and thrift institutions may not deduct any portion of the interest cost of purchasing or carrying tax-exempt obligations such as the bonds if such interest cost is incurred in taxable years ending after December 31, 1986, with respect to obligations acquired after August 7, 1986. The city does intend to designate the bonds as "qualified tax-exempt obligations" under Section 265 of the code.

Legal Opinion

The bonds will be sold subject to the legal opinion of Nichols and Wolfe Chartered, 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 when the bonds are delivered. Said opinion will also state that in the opinion of bond

counsel, assuming continued compliance by the city with the provisions of the ordinance authorizing the issuance of the bonds and the code, under existing law, the interest on the bonds is exempt from federal income taxation.

Delivery and Payment

The city will pay for printing the bonds and will deliver the bonds without cost to the successful bidder, properly prepared, executed and registered, on or prior to December 17, 1987 at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the successful bidder. Said bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity and a certificate regarding the completeness and accuracy of the official statement. Payment for the bonds shall be made in federal reserve funds, immediately subject to use by the city. The denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners shall be submitted in writing by the successful bidder to the city and bond registrar not later than 4 p.m. C.S.T. on December 7, 1987. In the absence of such information, the city will deliver bonds in the denomination of each maturity registered in the name of the successful bidder.

The successful bidder shall furnish the city by 4 p.m. C.S.T. on December 7, 1987, a certificate acceptable to the city's bond counsel to the effect that (i) the successful bidder has made a bona fide public offering of the bonds at the initial reoffering prices, and (ii) a substantial amount of the bonds was sold to the public (excluding brokers and other intermediaries) at such initial reoffering prices. Such certificate shall state that (1) it is made on the best knowledge, information and belief of the successful bidder and (2) 10 percent or more in par amount of the bonds of each maturity was sold to the public at or below the initial reoffering prices (such amount being sufficient to establish the sale of a "substantial amount" of the bonds).

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$23,300, payable to the order of the city 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 upon the deposit made by the successful bidder. Said check shall be returned to the bidder if the bid is not accepted. If a bid is accepted, said check shall be held by the city until the bidder shall have complied with all of the terms and conditions of this notice, at which time said check shall be returned to the successful bidder or deducted from the purchase price at the option of the city. 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 shall 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 shall be retained by the city as and for liquidated damages.

CUSIP Numbers

CUSIP identification numbers will be printed on the 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 this notice. All expenses in relation to the assignment and printing of CUSIP numbers on the bonds will be paid by the city.

Bid Forms

All bids must be made on forms which may be procured from the city clerk. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. The city reserves the right to waive irregularities and to reject any or all bids.

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned city clerk and marked "Proposal for the Purchase of General Obligation Bonds." Bids may be submitted by mail or delivered in person to the undersigned at City Hall and must be received by the undersigned prior to 7 p.m. C.S.T. on Tuesday, November 17, 1987.

Official Statement

Upon the sale of the bonds, the city will adopt an official statement in substantially the form as the preliminary official statement, subject to minor amendments and supplementation. Copies of the city's preliminary official statement relating to the bonds may be obtained from the city clerk or the city's financial adviser, George K. Baum & Company, 1004 Baltimore Ave., Kansas City, MO 64105, (816) 474-1100. Upon request, a reasonable number of copies of the official statement will be made available to the successful bidder without charge. Additional copies may be obtained at the expense of such bidder.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city for the year 1987 is \$55,180,225. The total general obligation bonded indebtedness of the city as of the date of the bonds, including the bonds, is \$10,703,114, including, as of the date of the bonds, temporary notes outstanding in the principal amount of \$833,114.

Dated November 2, 1987.

CITY OF JUNCTION CITY, KANSAS

Kristine B. Silver

City Clerk

City Hall

700 N. Jefferson

Junction City, KS 66441

(913) 238-3103

Doc. No. 005944

(Published in the KANSAS REGISTER, November 12, 1987.)

NOTICE OF BOND SALE

\$225,000

Water System Improvement Bonds

Series 1987

of the

City of Elwood, Kansas

(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, city clerk of the city of Elwood, Kansas, on behalf of the governing body at the City Hall, 205 N. 6th, Elwood, until 10 a.m. C.S.T. on Tuesday, November 17, 1987, for the purchase of \$225,000 principal amount of water system improvement bonds, Series 1987, of the city hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body at its meeting to be held at 7:30 p.m. on the date of sale. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in denominations of \$5,000 or any integral multiple thereof, dated December 1, 1987, and becoming due serially on September 1 in the years as follows:

Year	Principal Amount
9/1/1988	\$15,000
9/1/1989	15,000
9/1/1990	15,000
9/1/1991	20,000
9/1/1992	20,000
9/1/1993	25,000
9/1/1994	25,000
9/1/1995	25,000
9/1/1996	30,000
9/1/1997	35,000

The bonds will bear interest from the date thereof 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 in each year, beginning on March 1, 1988.

Place of Payment and Bond Registration

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the 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 pursuant to a plan of registration approved by the city and the Kansas Attorney General.

The city will pay for the fees of the bond registrar for registration and transfer of the bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the bond registrar, will be the responsibility of the bondowners.

The number and denominations of the bonds and the names, addresses and social security or taxpayer

(continued)

identification numbers of the registered owners shall be submitted in writing by the successful bidder to the city and bond registrar at least two weeks prior to the closing date. In the absence of such information, the city will deliver one bond per maturity registered in the name of the manager of the successful bidder.

The reoffering prices to the public by the original purchaser must be furnished to the city at least one week prior to the closing date. A certificate stating that at least 10 percent of the bonds of each maturity have been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at such reoffering prices must be furnished to the city by the original purchaser at closing.

Redemption of Bonds Prior to Maturity

Bonds maturing in the years 1988 to 1995, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the years 1996 and thereafter may be called for redemption and payment prior to maturity in whole or in part (selection of bonds to be designated by the city in such equitable manner as it may determine) on September 1, 1995, or on any interest payment date thereafter at the redemption price of 100 percent (expressed as a percentage of the principal amount), plus accrued interest to the redemption date.

Whenever the city is to select bonds for the purpose of redemption, it will, in the case of bonds in denominations greater than \$5,000, if less than all of the bonds then outstanding are to be called for redemption, treat each \$5,000 of face value of each such fully registered bond as though it were a separate bond of the denomination of \$5,000.

If the city elects to call any bonds for redemption and payment prior to the maturity thereof, the city will give written notice of its intention to call and pay said bonds on a specified date, said notice to be mailed by United States certified mail addressed to the registered owners of said bonds, to the Kansas State Treasurer, Topeka, Kansas, to the paying agent, and to the manager or managers of the underwriting account making the successful bid, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 12-801 to 12-803, inclusive, as amended, for the purpose of paying the cost of certain water system improvements. The bonds and the interest thereon will constitute general obligations of the city, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the

bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of $\frac{1}{8}$ or $\frac{1}{20}$ of 1 percent. No interest rate may exceed a rate equal to the index of treasury bonds published by the weekly Credit Markets in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. No rate specified may be lower than any rate specified for an earlier maturity of the bonds. No bid of less than the entire par value of the bonds and accrued interest thereon to the date of delivery will be considered and no supplemental interest payments will be authorized. Each bid must specify the total interest cost to the city during the life of the bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the city on the basis of such bid, all certified by the bidder to be correct, and the city will be entitled to rely on the certificate of correctness of the bidder. Each bid must also specify the average annual net interest rate to the city on the basis of such bid.

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$4,500, payable to the order of the city to secure the city from any loss resulting from the failure of the bidder to comply with the terms of the bid. Good faith checks submitted by unsuccessful bidders will be returned. If a bid is accepted, said check or the proceeds thereof will be held by the city until the bidder has complied with all of the terms and conditions of this notice. If a bid is accepted but the city fails to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check or the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the city as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the city, which will 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 the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and its determination shall be final. The city reserves the right to reject any and all bids and to waive any irregularities in a submitted bid.

Bid Forms

All bids must be made on forms which may be procured from the city clerk. No additions or alterations in such forms shall be made 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 addressed to the undersigned city clerk and marked "Proposal for Water System Improvement Bonds." Bids may be submitted by mail or delivered in person to the undersigned at the City Hall and must be received by the undersigned prior to 10 a.m. C.S.T. on Tuesday, November 17, 1987.

Bond Rating

The city has not applied for a rating on the bonds herein offered for sale.

CUSIP Numbers

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

Delivery and Payment

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

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city, for the year 1986, is as follows:

Equalized assessed valuation of taxable tangible property	\$6,675,671
Tangible valuation of motor vehicles	<u>\$ 376,390</u>
Equalized assessed tangible valuation for computation of bonded debt limitations	<u>\$7,052,061</u>

The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$462,000. Temporary notes in the principal amount of \$200,000 will be retired out of proceeds of the bonds and other available funds.

Legal Opinion and Tax Exemption

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Overland Park, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by

the city, printed on the bonds and delivered to the successful bidder as and when the bonds are delivered.

In the opinion of bond counsel, assuming continued compliance by the city with the terms of the bond ordinance, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the city comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excludable from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so included in federal gross income retroactive to the date of issuance of the bonds. The city has covenanted to comply with all such requirements. Bond counsel expresses no opinion regarding other federal tax consequences arising with respect to the bonds.

Prospective purchasers of the bonds should be aware that (i) Section 265 of the code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the bonds except with respect to certain financial institutions (within the meaning of Section 265(b)(5) of the code); (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the code, for taxable years beginning after December 31, 1986, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the bonds; (iii) for taxable years beginning after December 31, 1986 and before January 1, 1992, interest on the bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the code; (iv) for taxable years beginning after December 31, 1986, interest on the bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the code; (v) passive investment income, including interest on the bonds, may be subject to federal income taxation under Section 1375 of the code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income; and (vi) Section 86 of the code requires recipients of certain Social Security and certain railroad retirement benefits to take into account in determining gross income, receipts or accruals of interest on the bonds. These categories of bond-

(continued)

owners should consult their own tax advisers as to the applicability of these consequences.

The city will covenant to take such actions as are necessary to designate the bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the code), a deduction is allowed for 80 percent of that portion of such financial institution's interest expense allocable to interest on the bonds.

The bonds are exempt from intangible personal property taxes levied by Kansas counties, cities or townships.

Additional Information

Additional information regarding the bonds may be obtained from the city clerk or the city administrator, Phyllis McCrory.

Dated November 3, 1987.

CITY OF ELWOOD, KANSAS
 By Peggy Townsend, City Clerk
 City Hall
 205 N. 6th
 P.O. Box 357
 Elwood, KS 66024
 (913) 365-6871

Doc. No. 005947

(Published in the KANSAS REGISTER, November 12, 1987.)

NOTICE OF BOND SALE
\$444,224.93
General Obligation Bonds
Series 1987
of the
City of Derby, Kansas
(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, city clerk of the city of Derby, Kansas, on behalf of the governing body at the City Hall, 229 N. Baltimore, Derby, KS 67037, until 7 p.m. C.S.T. on Tuesday, November 17, 1987, for the purchase of \$444,224.93 principal amount of general obligation bonds, Series 1987, of the city hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body immediately thereafter. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in denominations of \$5,000 or any integral multiple thereof, except one bond in the denomination of \$4,224.93 dated December 1, 1987, and becoming due serially on December 1 in the years as follows:

Year	Principal Amount
1988	\$29,224.93
1989	35,000.00
1990	35,000.00
1991	40,000.00
1992	40,000.00
1993	45,000.00

1994	50,000.00
1995	55,000.00
1996	55,000.00
1997	60,000.00

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on June 1, 1988.

Place of Payment and Bond Registration

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the 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 pursuant to a plan of registration approved by the city and the Kansas Attorney General.

The city will pay for the fees of the bond registrar for registration and transfer of the bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the bond registrar, will be the responsibility of the bondowners.

The number, denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners shall be submitted in writing by the successful bidder to the city and bond registrar at least two weeks prior to the closing date. In the absence of such information, the city will deliver one bond per maturity registered in the name of the manager of the successful bidder. The initial reoffering price to the public by the original purchaser shall be furnished to the city at least one week prior to the closing date. A certificate setting forth such initial reoffering price to the public shall be furnished to the city by the original purchaser at closing.

Redemption of Bonds Prior to Maturity

Bonds maturing in the years 1988 to 1993, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the years 1994 and thereafter may be called for redemption and payment prior to maturity in whole or in part (selection of bonds within the same maturity to be by lot by the city in such equitable manner as it may determine) on December 1, 1993, or on any interest payment date thereafter at the redemption price of 100 percent (expressed as a percentage of the principal amount), plus accrued interest to the redemption date.

Whenever the city is to select the bonds for the purpose of redemption, it shall, in the case of bonds in denominations greater than \$5,000, if less than all of the bonds then outstanding are to be called for redemption, treat each \$5,000 of face value of each such fully registered bond as though it were a separate bond of the denomination of \$5,000.

If the city shall elect to call any bonds for redemption and payment prior to the maturity thereof, the city

shall give written notice of its intention to call and pay said bonds on a specified date, said notice to be mailed by United States registered or certified mail addressed to the registered owners of said bonds, to the Kansas State Treasurer, Topeka, Kansas, and to the manager or managers of the underwriting account making the successful bid, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authorization, Purpose and Security

The bonds are being issued pursuant to K.S.A. 12-6a01 *et seq.*, K.S.A. 12-631t and 12-631w, K.S.A. 12-631r *et seq.*, and K.S.A. 14-523 *et seq.*, as amended and supplemented, for the purpose of paying the cost of certain street, sewer and water improvements. The bonds and the interest thereon will constitute general obligations of the city, payable in part from special assessments levied upon the property benefited by the construction of said improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city.

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned city clerk and marked "Bond Bid." Bids may be submitted by mail or delivered in person to the undersigned at the City Hall and must be received by the undersigned prior to 7 p.m. C.S.T. on November 17, 1987.

Bid Forms

All bids must be made on forms which may be procured from the city clerk or the financial adviser. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. The city reserves the right to waive irregularities and to reject any and all bids.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of $\frac{1}{8}$ or $\frac{1}{20}$ of 1 percent. No interest rate shall exceed a rate equal to the index of treasury bonds published by Credit Markets in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. The difference between the highest rate specified and the lowest rate specified shall not exceed 2.5 percent. No bid of less than the entire par value of the bonds and accrued interest thereon to the date of delivery will be considered and no supplemental interest payments will be authorized. Each bid

shall specify the total interest cost to the city during the life of the bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the city on the basis of such bid, all certified by the bidder to be correct, and the city will be entitled to rely on the certificate of correctness of the bidder. Each bid shall also specify the average annual net interest rate to the city on the basis of such bid.

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the city, which will 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 the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and its determination shall be final. The city reserves the right to reject any and all bids and to waive any irregularities in a submitted bid. Any bids received after 7 p.m. C.S.T. on the date the bids are due will be returned to the bidder unopened.

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America equal to 2 percent of the total amount of the bid payable to the order of the city. If a bid is accepted, said check or the proceeds thereof will be held by the city until the bidder shall have complied with all of the terms and conditions of this notice. 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 or the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the city as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

Official Statement

The city has prepared an official statement dated November 1, 1987, copies of which may be obtained from the city clerk or from the financial adviser. Upon the sale of the bonds, the city will furnish the successful bidder with a reasonable number of copies thereof without additional cost upon request. Additional copies may be at successful bidder's expense.

Delivery and Payment

The city will pay for printing the bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or before December 15, 1987 at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the successful bidder. The successful bidder will also be furnished with a certified

(continued)

transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing proofs, which will include a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity. Payment for the bonds shall be made in federal reserve funds, immediately subject to use by the city.

CUSIP Numbers

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

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city, for the year 1986, is as follows:

Equalized assessed valuation of tangible property	\$30,728,601
Tangible valuation of motor vehicles	\$ 9,243,691
Equalized assessed tangible valuation for computation of bonded debt limitations	<u>\$39,972,292</u>

The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$9,738,224. Temporary notes in the principal amount of \$2,960,000, of which \$575,000 will be retired out of proceeds of the bonds and other available funds.

Legal Opinion and Tax Exemption

All matters incidental to the authorization and issuance of the bonds are subject to the approval of Gilmore & Bell, Wichita, Kansas, bond counsel.

In the opinion of bond counsel, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the city comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so includable in gross income retroactive to the date of issuance of the bonds. The city has covenanted to comply with all such requirements.

Prospective purchasers of the bonds should be

aware that (i) Section 265 of the code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the bonds, except with respect to certain financial institutions (within the meaning of Section 265 (b)(5) of the code); (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the code, for taxable years beginning after December 31, 1986, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the bonds; (iii) for taxable years beginning after December 31, 1986 and before January 1, 1992, interest on the bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the code; (iv) for taxable years beginning after December 31, 1986, interest on the bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the code; (v) passive investment income, including interest on the bonds, may be subject to federal income taxation under Section 1375 of the code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year, if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income; and (vi) Section 86 of the code requires recipients of certain Social Security and certain railroad retirement benefits to take into account, in determining gross income, receipts or accruals of interest on the bonds.

The bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the code), a deduction is allowed for 80 percent of that portion of such financial institution's interest expense allocable to interest on the bonds.

Bond counsel expresses no opinion regarding other federal tax consequences with respect to the bonds.

The bonds are exempt from intangible personal property taxes levied by Kansas counties, cities or townships.

A form of bond counsel's opinion, which will be printed on the bonds and paid for by the city, is contained in the official statement of the city with respect to the bonds.

Additional Information

Additional information regarding the bonds may be obtained from the city clerk or from the financial adviser, First Securities Company of Kansas, Inc., Wichita, KS 67202, Attention: Kerry J. Clark, (316) 262-4411.

Dated November 3, 1987.

CITY OF DERBY, KANSAS

By Geneva Moore
City Clerk
City Hall
229 N. Baltimore
Derby, KS 67037
(316) 788-1519

Doc. No. 005946

(Published in the Kansas Register November 12, 1987.)

**NOTICE OF REDEMPTION
LABETTE COUNTY
and
COWLEY COUNTY, KANSAS**

**Single Family Mortgage Revenue Bonds
(Multiple Originators and Services)
1981 Series A**

NOTICE IS HEREBY GIVEN that \$2,235,000 principal amount of the Bonds, as listed below, are called for redemption on December 1, 1987, at the redemption price of 100% of the principal amount being redeemed plus accrued interest thereon to the redemption date.

Coupon Bonds of \$5,000 Denominations called in full, bearing CUSIP NO. 505385 and suffix:

AF1	3166	3368	3531	3789	4113	4307	4545	4792	4995	5292	5589	5816	6069
248	3168	3373	3548	3792	4116	4317	4552	4797	4998	5299	5594	5819	6076
AG9	3176	3374	3550	3798	4120	4322	4555	4800	5002	5305	5604	5825	6080
328	3177	3375	3552	3800	4121	4332	4564	4806	5004	5316	5610	5843	6084
AH7	3188	3385	3558	3801	4126	4348	4565	4813	5019	5345	5612	5845	6094
419	3197	3386	3564	3803	4128	4352	4568	4836	5025	5348	5625	5859	6098
AJ3	3202	3409	3574	3817	4134	4356	4597	4851	5033	5364	5640	5890	6122
506	3204	3410	3578	3824	4141	4364	4601	4860	5035	5372	5645	5923	6138
AK0	3219	3411	3586	3832	4149	4374	4614	4861	5052	5376	5653	5928	6157
611	3222	3418	3590	3841	4162	4375	4617	4867	5056	5393	5664	5934	6164
AL8	3227	3426	3612	3851	4171	4394	4624	4882	5062	5395	5666	5940	6165
738	3230	3428	3616	3894	4172	4409	4632	4889	5065	5400	5668	5947	6171
AM6	3235	3429	3628	3909	4176	4421	4639	4893	5097	5401	5672	5948	6172
979	3238	3434	3634	3920	4179	4433	4643	4894	5104	5406	5688	5963	6173
992	3249	3435	3640	3928	4181	4435	4652	4899	5109	5418	5691	5981	6186
1002	3256	3440	3644	3954	4182	4437	4666	4902	5115	5438	5696	5986	6188
1009	3261	3451	3647	3961	4185	4441	4674	4904	5120	5441	5701	5996	6195
1068	3264	3452	3650	3963	4187	4454	4677	4909	5131	5460	5705	5998	6203
1079	3267	3453	3651	3971	4193	4471	4692	4920	5145	5473	5706	6012	6211
1086	3275	3456	3672	3972	4197	4480	4708	4928	5188	5474	5725	6018	6219
AR5	3282	3457	3678	3981	4211	4483	4715	4929	5200	5480	5742	6019	6220
3087	3285	3480	3681	4007	4222	4487	4719	4944	5219	5484	5746	6027	6228
3114	3290	3485	3700	4010	4230	4494	4723	4946	5236	5489	5753	6030	6231
3123	3310	3486	3723	4033	4236	4509	4732	4949	5245	5490	5766	6037	6246
3130	3326	3488	3724	4041	4251	4512	4739	4950	5246	5494	5774	6040	6253
3136	3327	3490	3725	4045	4258	4514	4742	4969	5264	5513	5784	6043	6254
3140	3334	3496	3731	4060	4264	4516	4749	4972	5268	5516	5798	6044	6256
3142	3344	3506	3754	4076	4275	4526	4755	4976	5277	5526	5803	6053	6261
3163	3349	3510	3776	4094	4284	4529	4768	4978	5284	5537	5806	6059	6262
	3352	3525	3780	4098	4296	4531	4786	4986	5285	5552	5808	6061	6264
	3355	3529	3786	4112	4301	4541	4788	4990	5289	5582	5813	6064	6275

In addition to the coupon Bonds listed above, the following fully Registered Bonds due June 1, 2012 are called as shown below bearing CUSIP NO. 505385AR5

Bond Number	Total Principal	Amount Called	Bond Number	Total Principal	Amount Called
R 25	\$ 5,000	\$ 5,000	R 42	\$ 5,000	\$ 5,000
R 36	65,000	15,000	R139	20,000	5,000
R 37	35,000	5,000	R190	10,000	5,000
R 41	20,000	5,000	R195	30,000	5,000

On December 1, 1987, all Bonds designated for redemption will become due and payable upon presentation thereof at the address of the Trustee given below. On and after December 1, 1987, interest on the principal amount called for redemption shall cease to accrue.

Bonds should be presented for payment in person or by mail at the following address:

**Continental Illinois National Bank
and Trust Company of Chicago
Attention: Corporate Trust Operations
30 North LaSalle Street, 16th Floor
Chicago, Illinois 60697**

Under the provisions of the Interest and Dividend Tax Compliance Act of 1983, Paying Agents making payments of interest or principal on corporate securities or making payments of principal on municipal securities, may be obligated to withhold a 20% tax from remittances to individuals who have failed to furnish the Paying Agent with a valid Taxpayer Identification Number. Holders of the above described securities who wish to avoid the imposition of this tax should submit certified Taxpayer Identification Numbers when presenting their securities for collection.

**By: Continental Illinois National Bank
and Trust Company of Chicago, Trustee**

October 30, 1987

Doc. No. 005919

State of Kansas

BOARD OF REGENTS

**NOTICE OF HEARING ON
PROPOSED TRAFFIC REGULATIONS AT
THE UNIVERSITY OF KANSAS
MEDICAL CENTER**

A public hearing will be held at 3 p.m. Friday, December 4, in Battenfield Auditorium, University of Kansas Medical Center, Kansas City, concerning the adoption by the Board of Regents of regulations governing traffic and parking on the roads, streets, driveways, and parking facilities at the University of Kansas Medical Center. The following is a summary of the substance of proposed changes in current rules.

1. Parking Offenses. The current regulations specify the penalties for misuse of parking areas. The proposed amendment will increase the fine for over-parking in a space regulated by university parking meter from \$2 to \$3. The other proposed amendment will increase the fine for Group II university violations from \$7.50 to \$10. All other fines will remain unchanged.

2. Permit Fees. The current regulations specify the

fees charged for parking permits. The proposed amendment raises the parking facility daily rates as follows: 1 hour: from \$.75 to \$1.25; 1-2 hours: from \$1 to \$1.50; 2-3 hours: from \$1.25 to \$2; 3-4 hours: from \$1.50 to \$2.25; 4-5 hours: from \$1.75 to \$2.50; 5-6 hours: from \$3 to \$2.75; over 6 hours: from \$3 to \$4 (formerly \$3 was charged for anything over 6 hours).

3. Meter Rates. The current regulations specify that meter rates for patients and visitors is \$.25 per hour. The proposed amendment will increase the rate from \$.25 per hour to \$.50 per hour.

Interested persons will be given a reasonable opportunity at the hearing to present their views concerning the adoption of the proposed amendments to the existing regulations. Written comments may also be submitted prior to the hearing. Written comments or a request for a copy of the proposed regulations and a copy of the financial impact statement of such changes should be submitted to A. J. Yarmat, Ph.D., Parking Services, University of Kansas Medical Center, 39th and Rainbow Blvd., Kansas City 66103.

TED D. AYRES
General Counsel

Doc. No. 005964

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
District Courtroom, Ellis County Courthouse
Hays, Kansas

Before Abbott, C.J.; Davis and Daniel L. Hebert, District Judge, assigned.

Wednesday, November 18, 1987

8:45 a.m.

Case No.	Case Name	Attorneys	County
60,592	State of Kansas, Appellee, v. Wayne L. Briscoe, Appellant.	Willis K. Musick, County Attorney Attorney General	Ellis
59,758	In the Matter of the Adoption M.D., a Minor, Appellant, v. Timothy Gene Dietz, Appellee.	Wayne Briscoe, <i>pro se</i> Lowell F. Hahn	Phillips
59,832	Geraldine L. DeMoss, Appellee, v. Edward J. Cahoj, Bruce Clark, and Clark-Cahoj #5, Ltd., and Koch Oil Co., Appellants.	Rebecca Bartee Elmo Lund G. Peter Burger	Rawlins
60,272	Arlene Gilbert, Appellant, v. Board of Education, Unified School District 395, <i>et al.</i> , Appellees.	Robert J. Lewis, Jr. H. Scott Beims David M. Schauner Sally H. Rogers Julie S. Roth	Rush
		Norman W. Jeter Thomas Caleb Boone	

60,051	Lyle Billips and Laverne Billips, <i>et al.</i> , Appellees, v. Joe Dinkel, <i>et al.</i> , Def., and United States Fidelity & Guaranty Co., Appellant.	Ross Wichman Larry A. Withers Arthur S. Chalmers	Graham
60,544	Mary K. Natale, Appellant, v. Kansas Department of Revenue, Division of Vehicles, Appellee.	Michael S. Holland Brian Cox	Russell

1:00 p.m.

Case No.	Case Name	Attorneys	County
60,129	State of Kansas, Appellee, v. Ronald Lee Jean, Appellant.	Vernon Steerman, County Attorney Attorney General	Osborne
60,235	James L. McClelland, Appellant, v. Kansas Dept. of Revenue, Appellee.	Richard P. Senecal Michael V. Foust	Thomas
60,419	Maurice G. Barnhart, Appellant, v. Kansas Dept. of Revenue, Appellee.	James G. Keller Michael V. Foust	Thomas
60,341	Ronald C. Bell, Appellant, v. Williams Telecommunications, Appellee.	James G. Keller Charles A. Peckham Scott Condray	Rawlins
60,507	Citizens State Bank, Appellee, v. Carl Kaiser, Anna Kaiser and John Kaiser, Appellant.	James D. Waugh Harold T. McCubbin	Sheridan
60,412	John W. Mathes, Jr. and Rosemary Mathes, Appellants, v. New Age Ind. Corp., Appellees, v. Norton Development Co., Inc., <i>et al.</i>	Caleb Boone Joseph W. Fromme Daniel C. Walter	Norton
60,683	Psychological Growth Associates, Inc., Appellee, v. Dennis Berry and Trudy Berry, Appellants.	R. Douglas Sebelius Gene F. Anderson Paul E. Crider, Jr.	Ellis

Thursday, November 19, 1987

9:00 a.m.

Case No.	Case Name	Attorneys	County
59,744	Home State Bank, Appellant, v. Fairway Enterprises, Inc., Kenneth Drager, Leon Stoppel and Marland E. Stoppel, Appellees.	Michael S. Holland Marvin E. Thompson Allen Shelton Charles R. Pike Kurt J. Shernuk Donald F. Hoffman	Russell
60,407	In the Matter of the Estate of Daniel Hollingshead, Deceased.	Thomas H. Sullivan Karen Griffiths Lowell F. Hahn	Phillips
60,519	State of Kansas, Appellee, v. Scott Standish, Appellant.	Jerry Driscoll, County Attorney Attorney General Mark A. Rondeau	Russell

(continued)

59,939	Jay C. Boyer, Appellee, v. John B. Collins, Indiv. and dba B-J Oil Co., Appellants, and John B. Collins, Appellant, v. J. C. Boyer, Appellee, v. Glen R. Gamble and Gary J. Seib, Appellees.	Edward E. Bouker Thomas C. Boone Ross J. Wichman Jerry E. Driscoll John T. Bird	Ellis
60,362	Terry Phlieger, Appellee, v. State Farm Mutual Auto Insurance Co., Appellant.	Joseph W. Jeter Stephen M. Kerwick	Ellis
60,320	Melvin Wilson and Mary Lou Wilson, Appellants, v. Turner & Boisseau, Chartered, and H. Lee Turner, Appellees.	Jon R. Craig Ron Shalz	Sherman

**Kansas Court of Appeals
East Courtroom, Seward County Courthouse
415 N. Washington, Liberal, Kansas
Before Rees, P.J.; Briscoe and Elliott, JJ.**

Wednesday, November 18, 1987

10:00 a.m.

Case No.	Case Name	Attorneys	County
60,322	State of Kansas, Appellee, v. Earl C. Meairs, Appellant.	Mickey Moorman, County Attorney General Lelyn J. Braun	Finney
60,511	Otto Mehl, Elda Mehl, <i>et al.</i> , Appellees, v. Garden City Prod. Credit Assn., Appellant, v. Peoples National Bank, Intrv.	Tom R. Smith Gene H. Sharp Richard Yoxall	Seward
60,438	Keith Martin and Harold Wilkin, dba Wilmar Farms, Appellee, v. Spikes Commodities, Inc., Appellant.	Charles E. Owen II Terry L. Malone	Kearny
60,260	In the Matter of the Conservatorship of Fred A. Marcotte.	Scott E. Daniel Clyde C. Farris Lelyn J. Braun	Finney

1:00 p.m.

Case No.	Case Name	Attorneys	County
60,317	State of Kansas, Appellee, v. Jimmy C. Brimm, Appellant.	Julie Hicks, Assistant County Attorney Jay Hinkel, County Attorney Attorney General Brad Keil Benjamin C. Wood	Finney

59,861	State of Kansas, Appellee, v. Michael S. Santisteven, Appellant.	Jay Hinkel, County Attorney Attorney General	Finney
60,314	State of Kansas, Appellee, v. Ralph Sittingdown, Appellant.	Wayne R. Tate, County Attorney Attorney General	Stevens
60,410	City of Garden City, Appellee, v. Raymond Randle, Appellant.	William J. Graybill Gregory McDonald	Finney
60,215	L. Gene Smith, Appellee, v. Shane Messenger, Appellant.	Leroy C. Rose Daniel Swagerty	Finney
60,428	Dallas D. Lloyd, Appellant, v. National Beef Packing Co., Appellee.	Robert A. Levy Robert A. Levy	Seward
59,938	Terry Coats and Patricia Coats, Appellees, v. Marilyn K. Clawson, <i>et al.</i> , Appellants.	Gene Sharp Kenneth Boelte	Seward
60,239	Federal Land Bank, Appellee, v. Dale Blair and Leota Blair, <i>et al.</i> , Appellants.	Arthur B. McKinley Kenneth Boelte Dale Blair, <i>pro se</i> Leota Blair, <i>pro se</i>	Haskell

Thursday, November 19, 1987

9:00 a.m.

Case No.	Case Name	Attorneys	County
60,197	Pappas Concrete, Inc., Appellee, v. David M. Stockton, Sharon L. Stockton, aka Cheryl L. Stockton, First National Bank and David Fluid Serv., Appellants.	R. H. Calihan, Jr. William B. Bolin Harold K. Greenleaf	Kearney
60,217	Riley Chev-Olds Pontiac, Inc., Appellee, v. Gary Pister & Susan Pister.	B. Steven Upshaw Shirley K. Calvin	Grant Haskell
59,966	Federal Land Bank of Wichita, v. Hayward and Waneen Eisele, Robert M. and Mary Louise Eisele, and Haskell County State Bank, Appellees, Fidelity State Bank of Garden City, Appellant.	Gary R. Hathaway Wayne R. Tate Michael E. Collins	Haskell
60,357	Lynn Christian, Appellant, v. Donald G. Robinson, <i>et al.</i> , Shurack, <i>et al.</i> , State Bank of Satanta, Wanda F. Christian, <i>et al.</i> , Appellees.	Shirley K. Calvin K. Mike Kimball Gregory D. Schaller Richard M. Pickler	Grant
60,224	Stanton City Implement Co., Appellee, v. James W. Dimitt, Appellant.	L. LaVerne Fiss James W. Dimitt	Stanton
60,475	In the Matter of the Estate of Rudolph M. Valenzuela, Deceased.	Scott E. Daniel Charles E. Owen II John Osborn	Finney
60,180	James M. Bauer, Appellant, v. Board of Education, U.S.D. No. 452, Johnson, Kansas, Appellee.	David M. Schauner M. Moran Tomson	Stanton

(continued)

Kansas Court of Appeals
 Division 1 Courtroom, Third Floor, Pratt County Courthouse
 3rd and Ninnescah Street, Pratt, Kansas
 Before Brazil, C.J.; Six, J.; and Jack L. Burr,
 District Judge, assigned.

Wednesday, November 18, 1987

9:15 a.m.

Case No.	Case Name	Attorneys	County
60,240	Farmers & Merchants State Bank, Macksville, Kansas, Appellee, v. Walter Batson and Roger Grizzell, Appellants.	Emerson H. Shields Michael K. Johnston	Stafford
60,137	Union National Bank, Appellee, v. Cardinal Energy Co., Inc. and Four-way Operating Co., Appellant.	Timothy R. Keenan Benjamin E. Butts Greg Bauer	Stafford
60,325	E & D, Inc., Appellee, v. Arrowhead Petroleum, Inc., Appellant.	Marvin Thompson Greg L. Bauer	Ellis
60,401	In the Matter of the Estate of Glen Curry, aka R. G. Curry, aka Roger Glen Curry, Deceased.	Richard D. Ewy Keen K. Brantley	Scott
60,629 S.C.	Debra Williams, Appellee, v. Excel Corp., Appellant, and Kansas Workers' Compensation Fund.	Ken W. Strobel David J. Rebein Richard L. Friedeman	Ford

1:00 p.m.

Case No.	Case Name	Attorneys	County
60,557	Harmon Ridgway, Appellee, v. Board of Ford County Commissioners and Great American Insurance Co., Appellants.	John E. Fierro Terry J. Malone	Ford
60,399	T.G.T. Petroleum Corp., Appellant, v. Danny Hillenburg, <i>et al.</i> , Appellees.	Richard D. Greene Jana J. Deines Larry E. Keenan	Kiowa
60,932	Harry A. Waite, Sp. Adm. of Estate of Cecil J. Regnier, Deceased, Appellee, v. Cora Mae Briggs, Exec. of Estate of Cecil J. Regnier and Fidelity State Bank & Trust Co., Appellants.	Harry A. Waite George Voss	Ford
60,790	Collingwood Grain, Inc., Appellant, v. Dean Blank, Appellee, v. Ralston-Purina Co., Appellee.	Alexander B. Mitchell Roy Williams Donald W. Bostwick	Kingman

59,974 Consolidated with 60,400	Dean & Louise Dowling, Appellee, v. Southwestern Porcelain, Inc., Appellant. Dean & Louise Dowling, Appellants. v. Southwestern Porcelain, Inc. New Hampshire Insurance Co., Appellees.	Robert M. Baker Gerald W. Woolwine Gregory A. Lee	Ford
60,155	Sherry Wornkey, Appellee, v. Steven R. Wornkey, Appellant.	Morgan Wright Robert E. North	Pawnee
60,599	Farrar Pump & Supply, Inc., Appellee, v. Charles Butler, Ron Butler, Mike Butler, and Venture Oil Corp., Appellants.	Gordon Penny Patricia Rose Myers Dan W. Forker	Barber

Thursday, November 19, 1987

9:00 a.m.

Case No.	Case Name	Attorneys	County
59,879	In the Matter of the Marriage Hugh H. Wheelock, Appellant, v. Linda K. Wheelock, Appellee.	Tom Berscheidt Alan C. Goering	Barber
60,397	Gary R. Leslie and Betty J. Leslie, Appellees, v. Western Drilling of Arizona, Appellant.	Roy E. Williams Larry T. Solomon	Kingman
59,494	Wayne L. Roberts and Katherine F. Roberts, Appellants, v. Barbara J. Riphahn and Department of Transportation, Appellees.	Lelyn J. Braun Casey R. Law	Ford
60,468	Shirley Klotz, Appellant, v. Kansas Department of Health, Education and Welfare, Appellee.	Lelyn J. Braun J. Kent Roth Frank Layman	Finney
60,257	Norman L. Knight and Rebecca R. Knight, Appellants, v. Douglas B. Myers, Appellee.	Lelyn J. Braun Amy S. Lemley	Ford
60,258	Norman L. Knight and Rebecca R. Knight, Appellants, v. Barry K. Gunderson, Appellee.	Lelyn J. Braun Byron C. Larson	Ford
Summary Docket—No Oral Argument			
60,318	State of Kansas, Appellee, v. Wallace Alvin Busch, Appellant.	Julie Hicks, Assistant County Attorney Jay Hinkle, County Attorney Attorney General Benjamin C. Wood Steven R. Zinn	Finney

LEWIS C. CARTER
Clerk of the Appellate Courts

State of Kansas

KANSAS PAROLE BOARD

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 9 a.m. Monday, November 30, in the conference room of the Kansas Parole Board, fourth floor, Landon State Office Building, 900 S.W. Jackson, Topeka, to consider the adoption, revocation and amendment of proposed permanent rules and regulations of the Kansas Parole Board.

All interested parties may submit written comments prior to the hearing to the chairman of the Kansas Parole Board, 4th Floor, Landon State Office Building, 900 S.W. Jackson, Topeka 66612. All interested parties will be given a reasonable opportunity to orally present their views on the proposed regulations during the hearing.

Copies of the full text of the regulations and the fiscal impact statement may be obtained by writing to the chairman of the Kansas Parole Board at the address above.

The following is a summary of the regulations:

45-4-7: Deletes reference to recommendations to the inmate.

45-7-1: Amended to correct citation to sub-section of K.S.A. 22-3717.

45-9-1: Amended to authorize withdrawal of revocation warrant after probable cause has been found for revocation, prior to final hearing.

ELWAINE F. POMEROY Chairman

Doc. No. 005956

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

The Kansas Department of Health and Environment will conduct a public hearing at 1 p.m. Monday, November 30, in Conference Room C, Forbes Field, Building 740, Topeka, to consider the adoption of amended permanent Kansas Department of Health and Environment rules and regulations, K.A.R. 28-35-146 and 28-35-147, pertaining to radioactive licensees and X-ray registrants.

K.A.R. 28-35-146 establishes the conditions for payment and exemptions from the fees, and K.A.R. 28-35-147 is a schedule of fees indicating the fee for each of the types of licensees or registrants.

The burden upon the department includes the receipt, transfer and documentation of the payment as well as the confirmation of non-payment when such occurs. The regulations request payments be made by registrants at the time of the registration, which is conducted annually, and no additional mailing costs

are anticipated. The regulations also request payment at the time the licensees ask for a new license, amendments to a license or a renewal; therefore, no additional mailing costs are anticipated. Total costs for handling the administrative duties are expected to be \$8,634. Costs included in collecting and administering the fees are extremely difficult to estimate since they depend in large measure on actions of those paying the fees. For example, if a licensee does not choose to change the way radioactive materials are used an amendment is not needed and no fee is collected.

Estimates of income and administrative costs are therefore based on the annual radiation device registration and biennial radioactive materials license renewal.

The burden upon the licensee is dependent upon the type of use and number of changes requested; which would range from \$100/year to \$300,000/year, the latter for a low level radioactive waste disposal application. There are no such waste licensees in Kansas at this time and the 370 specific licensees would be charged from \$100 to \$3,500, depending upon the license use.

The burden upon registrants who possess or use radiation-producing devices (X-ray machines, particularly accelerators) ranges from \$20/year for the first machine and \$11 for each additional machine to \$42/year for each machine, depending upon the type of machine in use. In any case, no registrant shall pay more than \$150.

Copies of the rules and regulations and a fiscal impact statement may be obtained by contacting Gerald Allen, Department of Health and Environment, Forbes Field, Topeka 66620-0001, (913) 296-1562.

All interested parties may submit comments prior to the hearing to the Secretary of Health and Environment, Forbes Field, Building 740, Topeka 66620-0001. All interested parties will be given a reasonable opportunity at the hearing to present their views, orally or in writing, concerning the adoption of the proposed regulations. In order to give all parties an opportunity to present their views, it may be necessary to limit oral presentations to five minutes.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the secretary as the basis for making changes in these proposals.

STANLEY C. GRANT, Ph.D. Secretary of Health and Environment

Doc. No. 005953

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

NOTICE CONCERNING WATER POLLUTION CONTROL PERMIT

In accordance with state regulations 28-16-57 through 63 and 28-18-1 through 4, and the authority vested with the state by the administrator of the U.S. Environmental Protection Agency, tentative permits have been prepared for water pollution abatement facilities for the feedlots described below.

The tentative determinations for permit content are based on preliminary staff review, applying the appropriate standards and regulations of the state of Kansas and the EPA. The permit requires control of any existing or potential discharges to achieve the goal of "No Discharge" whenever possible. The permit upon issuance will constitute a state water pollution control and national pollutant discharge elimination system permit.

Name and Address of Applicant	Legal Description	Receiving Water
M. & W. Farms c/o Shirley Whithead Route 4, Box 246 Independence, KS 67301	NW¼ Section 11, SW¼ Section 2, Township 33S, Range 15E of Montgomery County, Kansas	Verdigris River Basin

Kansas Permit No. A-VEMG-S035 Fed Permit No. _____

The facility has capacity for approximately 2,400 swine.

Wastewater Control Facilities: Wastewater is impounded for subsequent disposal upon agricultural land. Storage capabilities are provided in excess of minimum requirements.

Compliance Schedule: None, existing controls adequate.

Written comments on the proposed NPDES permit may be submitted to Bethel Spotts, Clerk, Permit Program, Kansas Department of Health and Environment, Division of Environment, Bureau of Water Protection, Topeka 66620.

All comments received prior to December 11 will be considered in the formulation of final determinations regarding this public notice. Please refer to the appropriate application number (KS-AG-87-31) and name of applicant as listed when preparing comments.

If no objections are received, the Secretary of Health and Environment will issue the final determinations within 60 days of this notice. If response to this notice indicates significant public interest, a public hearing may be held in conformance with state regulation 28-16-61.

The application, proposed permit, special conditions, fact sheets as appropriate, comments received, and other information are on file and may be inspected at the Kansas Department of Health and Environment offices located at Building 740, Forbes Field, Topeka, from 8 a.m. to 4:30 p.m. Monday through Friday.

These documents are available upon request at the copying cost assessed by the department. Additional

copies of this public notice may also be obtained at the Division of Environment.

STANLEY C. GRANT, Ph.D.
Secretary of Health and Environment

Doc. No. 005961

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

The Kansas Department of Health and Environment will conduct a public hearing at 9 a.m. Monday, November 30, in Conference Room C, Forbes Field, Building 740, Topeka, to consider the adoption of proposed permanent Kansas Department of Health and Environment rules and regulations. K.A.R. 28-33-1 relates to the approval of laboratories performing serologic tests for syphilis and K.A.R. 28-33-2 through 28-35-10 are being revoked.

K.A.R. 28-33-1 through 28-33-10 relates to the approval of laboratories and persons to perform serological tests for syphilis. The revision requires laboratories to be approved; the laboratory director will be responsible for assuring that persons are adequately trained to perform the serological tests. The division of laboratories and research will no longer provide a proficiency program for syphilis serology and laboratories will be required to participate in an approved external proficiency program.

These regulations do not impose any additional fiscal impact.

Copies of the rules and regulations and a fiscal impact statement may be obtained by contacting Theresa Hodges, Department of Health and Environment, Forbes Field, Building 740, Topeka 66620-0001, (913) 296-1640.

All interested parties may submit comments prior to the hearing to the Secretary of Health and Environment, Forbes Field, Building 740, Topeka 66620-0001. All interested parties will be given a reasonable opportunity at the hearing to present their views, orally or in writing, in regard to the adoption of the proposed regulations.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the secretary as the basis for making changes in these proposals.

STANLEY C. GRANT, Ph.D.
Secretary of Health and Environment

Doc. No. 005970

State of Kansas

BOARD OF HEALING ARTS

NOTICE OF HEARING
ON PROPOSED
ADMINISTRATIVE REGULATIONS

A public hearing will be held at 1:30 p.m. Monday, November 30, in the office of the Board of Healing Arts, Suite 553, Landon State Office Building, 900 S.W. Jackson, Topeka, to consider the adoption of permanent rules and regulations and the amendment and revocation of existing rules and regulations.

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. 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 any oral presentation to five minutes.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the Board of Healing Arts.

The following is a brief summary of the proposed regulations and changes:

- (1) K.A.R. 100-2-1. Revoked.
- (2) K.A.R. 100-2-3 is being amended to conform the duties of the president with statutory amendments and to make certain technical changes.
- (3) K.A.R. 100-2-5. Revoked.
- (4) K.A.R. 100-2-6. Revoked.
- (5) K.A.R. 100-5-1 is being amended to clarify date of the annual meeting and other meetings of the board and to make certain technical changes.
- (6) K.A.R. 100-5-2 is being amended due to the abolishment of the positions of secretary and executive secretary and to make certain technical changes.
- (7) K.A.R. 100-5-3. Revoked.
- (8) K.A.R. 100-8-4 is being amended due to the abolishment of the position of secretary and creation of the position of executive director and to make certain technical changes.
- (9) K.A.R. 100-9-2. Revoked.
- (10) K.A.R. 100-10-1. Revoked.
- (11) K.A.R. 100-12-1 is being amended due to abolishment of the position of executive secretary and to make certain technical changes.
- (12) K.A.R. 100-15-3 is a new regulation setting forth the continuing education to be obtained by institutional licensees.
- (13) K.A.R. 100-19-1 is being amended to make summary adjudicative proceedings available in actions involving all licensees, registrants or certificate holders of the board.
- (14) K.A.R. 100-42-1. Revoked.
- (15) K.A.R. 100-42-2 is being amended due to the applicability of the Administrative Procedures Act to persons registered as physical therapists and certified as physical therapist assistants.
- (16) K.A.R. 100-46-5 is being amended to clarify the

requirements for reviewing a lapsed physical therapy registration.

(17) K.A.R. 100-54-1 specifies the information to be included on an application for registration as an occupational therapist or occupational therapy assistant.

(18) K.A.R. 100-54-2 specifies the educational programs for occupational therapists and occupational therapy assistants which shall be approved by the board.

(19) K.A.R. 100-54-3 specifies the examinations required by the board for registration as an occupational therapist or occupational therapy assistant.

(20) K.A.R. 100-54-4 sets forth the various fees to be charged and collected by the board relating to occupational therapy.

(21) K.A.R. 100-54-5 sets forth the definition of "unprofessional conduct."

(22) K.A.R. 100-54-6 specifies the requirements for renewal of registrations, late renewals and reinstatement of registrations.

(23) K.A.R. 100-54-7 specifies the minimum continuing education requirements to be fulfilled for renewal of registrations.

(24) K.A.R. 100-54-8 specifies the minimum continuing education requirements to be fulfilled to renew expired registrations and to reinstate registrations.

(25) K.A.R. 100-54-9 sets forth the information which must be provided to the board when occupational therapy assistants work under the supervision of an occupational therapist.

(26) K.A.R. 100-55-1 specifies the information to be included on an application for registration as a respiratory therapist.

(27) K.A.R. 100-55-2 specifies the educational programs for respiratory therapists which shall be approved by the board.

(28) K.A.R. 100-55-3 specifies the examination required by the board for registration as a respiratory therapist.

(29) K.A.R. 100-55-4 sets forth the various fees to be charged and collected by the board relating to respiratory therapy.

(30) K.A.R. 100-55-5 sets forth the definition of "unprofessional conduct."

(31) K.A.R. 100-55-6 specifies the requirements for renewal of registrations, late renewals and reinstatement of registrations.

(32) K.A.R. 100-55-7 specifies the minimum continuing education requirements to be fulfilled for renewal of registrations.

(33) K.A.R. 100-55-8 specifies the minimum continuing education requirements to be fulfilled to renew expired registrations and to reinstate registrations.

(34) K.A.R. 100-60-7. Revoked.

(35) K.A.R. 100-60-8 sets forth the acts a physician's assistant may perform which constitute the practice of medicine and surgery.

(36) K.A.R. 100-60-9 specifies the minimum requirements for a written protocol between a responsible physician and a physician's assistant.

(37) K.A.R. 100-60-10 specifies the requirements the responsible physician must fulfill to adequately direct and supervise a physician's assistant.

(38) K.A.R. 100-60-11 specifies the requirements a physician's assistant must fulfill.

(39) K.A.R. 100-60-12 defines "designated physician" and specifies the obligations of both the responsible physician and designated physician.

(40) K.A.R. 100-60-13 specifies the manner in which a physician's assistant may transmit a prescription order for prescription-only drugs or administer or supply such drugs.

(41) K.A.R. 100-60-14 defines "different practice location" and specifies what acts a physician's assistant may perform at such location.

There is no fiscal impact on governmental agencies, private businesses or the general public that will result from the adoption of these proposed regulations, other than the cost of registering respiratory therapists, occupational therapists and occupational therapy assistants.

Copies of the regulations and complete fiscal impact statements may be obtained by writing to the executive secretary of the board at the address above.

CHARLENE K. ABBOTT
Executive Secretary

Doc. No. 005971

State of Kansas

DEPARTMENT OF REVENUE DIVISION OF ALCOHOLIC BEVERAGE CONTROL

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 9 a.m. Tuesday, December 1, at the Alcoholic Beverage Control office, Jayhawk Tower, 700 Jackson, Topeka, to consider the adoption of proposed changes in existing regulations and proposed regulations of the Alcoholic Beverage Control Division of the Department of Revenue.

All interested parties may submit written comments prior to the hearing to Tom Hanna, Director, Alcoholic Beverage Control Division, Kansas Department of Revenue, Topeka 66625-1284. All interested parties will be given a reasonable opportunity at the hearing to orally present their views in regard to the adoption of the proposed regulations.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the director of the Alcoholic Beverage Control Division and the secretary of the Department of Revenue as a basis for making changes to these proposed regulations.

Copies of the proposed regulations and fiscal impact statement may be obtained by contacting the Alcoholic Beverage Control Division at the address above, (913) 296-3946.

A summary of the regulations follows:

Article 1—Definitions

14-1-1. Revoked.

Article 2—Licensees and Vendors

14-2-1, 14-2-2, 14-2-3, 14-2-4, 14-2-5, 14-2-6, 14-2-7, 14-2-8, 14-2-9, 14-2-10, 14-2-11, 14-2-12, 14-2-13, 14-2-14, 14-2-15, 14-2-16, 14-2-17, 14-2-18, 14-2-19, 14-2-20, 14-2-21, 14-2-22, and 14-2-23. Revoked.

Article 3—Retailers

14-3-1, 14-3-2, 14-3-3, 14-3-4, 14-3-5, 14-3-6, 14-3-7, 14-3-8, 14-3-9, 14-3-10, 14-3-11, 14-3-12, 14-3-13, 14-3-14, 14-3-15, 14-3-16, 14-3-17, 14-3-18, 14-3-19, 14-3-20, 14-3-22, 14-3-23, 14-3-24, 14-3-25, 14-3-26, 14-3-27, 14-3-28, 14-3-29, 14-3-30, 14-3-31, 14-3-32, 14-3-33, 14-3-34, 14-3-35, 14-3-36, 14-3-37, 14-3-38, 14-3-39, 14-3-40, 14-3-41, and 14-3-42. Revoked.

Article 4—Manufacturers; Distributors; Nonbeverage Users

14-4-1, 14-4-2, 14-4-3, 14-4-4, 14-4-5, 14-4-6, 14-4-7, 14-4-8, 14-4-9, 14-4-10, 14-4-11, 14-4-11a, 14-4-12, 14-4-13, 14-4-14, 14-4-15, 14-4-16, 14-4-18, 14-4-19, 14-4-20, 14-4-21, 14-4-22, 14-4-23, 14-4-25, 14-4-26, 14-4-27, and 14-4-28. Revoked.

Article 5—Transportation; Carriers; Storage

14-5-1. Alcoholic liquor (except beer) transported into state or federal area only by registered carriers. Except for a licensed distributor holding a valid private carrier permit and valid liquor carrier permit, all alcoholic liquor which is taxable under the act and shipped into this state or a federal area shall be transported only by common, contract or private carriers which hold liquor carrier permits issued by the director.

14-5-2. Carriers' permits; application; fees. Requires a common, contract or private carrier to obtain a permit to transport alcoholic liquor within or into the state and a permit fee of \$5 at the time of application.

14-5-3. Revoked.

14-5-4. Storage of alcoholic liquor in transit in public liquor warehouses; reports of warehouseman. Requires written notice to the director within 48 hours of receipt or discharge of alcoholic liquor that is stored in transit by any public bonded liquor warehouse.

14-5-6. Required delivery of alcoholic liquor to distributor by common carrier. Requires all alcoholic liquor transported into this state and consigned to a licensed distributor or a licensed manufacturer to be delivered and received into the consignee's bonded warehouse.

Article 8—Advertising

14-8-4, 14-8-5, and 14-8-11. Revoked.

Article 9—Salesmen's Permits

14-9-1, 14-9-2, 14-9-3, 14-9-4, 14-9-5, 14-9-6, 14-9-7, 14-9-8, 14-9-9, and 14-9-10. Revoked.

Article 10—Trade Practices

14-10-1, 14-10-2, 14-10-3, and 14-10-4. Revoked.

Article 13—Retail Liquor Dealer

14-13-1. Definitions. Defines the following terms: alcoholic liquor, beer, beneficial interest, bulk wine, caterer, cereal malt beverage, church, club, director, distributor, drinking establishment, licensed premises, morals charge, person, retailer, spirits and wine.

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14-13-2. Application for retail liquor license, contents, conditions and restrictions on issuance of license. Describes the procedure and appropriate documents deemed necessary by the director to apply for a retail liquor license and describes restrictions of the issuance of licenses.

14-13-3. Application for renewal of license, short method. Permits retailer to renew existing license by certified statement that acknowledges accuracy of information contained in the most recent complete application.

14-13-4. Retailer must pay city or township license tax before making sales.

14-13-5. Retailers; registration of employees, responsibility for conduct of business and of employees.

14-13-6. Change of location of business; application to director; permission to be endorsed on license.

14-13-7. Licenses, loss or destruction of; application for and issuance of duplicate. States procedures for obtaining a duplicate license.

14-13-8. Transfer of stock of liquor of retailer whose license has terminated; applications for permission to director by seller and purchaser; inventory and reports. States requirements for the transfer of the retailer's stock of alcoholic liquors to another qualified licensee.

14-13-9. Transactions prohibited; agreements and deliveries by retailer for sale or resale off licensed premises; registration of vehicle. Establishes requirements for sale and delivery by a retailer of alcoholic liquor.

14-13-10. Records of purchases and sales; invoices or sales tickets to be furnished by distributor or retailer; retention of records; records subject to inspection; required reports to director. Describes information required by retailers for the purchase and sales of alcoholic liquor.

14-13-11. Retail advertising signs.

14-13-12. Defective liquor containers; repurchase by distributor; when allowed.

14-13-13. Prohibited conduct of retailer.

Article 16—Suspension, Revocation, Cancellation, Hearing Procedures

14-16-1, 14-16-3, 14-16-4, 14-16-5, 14-16-6, 14-16-9, 14-16-10, 14-16-11, and 14-16-12. Revoked.

14-16-14. Definitions. Defines the following terms: involuntary cancellation, revocation, suspension and voluntary cancellation.

14-16-15. Director may revoke, suspend or involuntarily cancel licenses for violations of act or regulations; citation to licensees; hearing.

14-16-16. Proceedings for involuntary cancellation, suspension or revocation of licenses; notice to licensee of time and place of hearing; right of licensee to appear at hearing. Establishes requirements for processing citations.

14-16-17. Hearing procedures; prehearing motions. States requirements for prehearing motions.

14-16-18. Prehearing conference; availability; notice. Describes the procedure for a prehearing conference to expedite an administrative proceeding.

14-16-19. Hearing procedures. Establishes proce-

dures to be used at all hearings before the director or the director's designee.

14-16-20. Default citation proceeding. Establishes procedures to be used for the default process.

14-16-21. Service of orders, decisions, directives and notices of director regarding licensees and applicants for licenses; refusal to accept service. Establishes procedures for serving citations, orders, decisions, directives and notices of the director or secretary of revenue upon the licensee.

14-16-22. Operation of business while license is involuntarily canceled, suspended or revoked, forbidden; when order of involuntary cancellation, suspension or revocation is effective.

14-16-23. Schedule of fines and penalties. Classifies violations into three categories and establishes guidelines used by the director for imposing fines and penalties for violating intoxicating liquor laws and regulations.

14-16-24. Appeals to the secretary of revenue from orders of the director. Defines director and secretary and describes procedure for appeal from the order of the director.

Article 18—Class A and Class B Clubs

14-18-2, 14-18-3, 14-18-4, 14-18-5, 14-18-6, 14-18-7, 14-18-8, 14-18-9, 14-18-10, 14-18-11, 14-18-12, 14-18-13, 14-18-14, 14-18-15, 14-18-16, 14-18-17, 14-18-18, 14-18-19, 14-18-20, 14-18-21, 14-18-22, 14-18-23, 14-18-25, 14-18-26, 14-18-28, 14-18-29, 14-18-30, 14-18-32, and 14-18-33. Revoked.

Article 19—Class A Clubs

14-19-8, 14-19-9, 14-19-11, 14-19-12, and 14-19-13. Revoked.

14-19-14. Definitions. Defines the following terms: alcoholic liquor, beer, beneficial interest, bulk wine, cereal malt beverage, director, licensed premises, manager, member, morals charge, nonprofit fraternal club, nonprofit social club, nonprofit war veterans club, person, retailer, spirits, and wine.

14-19-15. Applications and renewals; documents required. Describes the procedure and appropriate documents deemed necessary by the director to apply for a class A club license.

14-19-16. Requirements for class A club license. Describes restrictions pertaining to officers, managers, directors, stockholders, spouses, partners, or owners associated with corporations, partnerships, business trusts or associations operating a class A club.

14-19-17. Issuance of license. Provides the criteria for the director to issue or refuse to issue a license to an applicant.

14-19-18. Licenses, loss or destruction of; application for and issuance of duplicate. States procedures for obtaining duplicate license.

14-19-19. Change of club status. Prohibits conversion of class A club license to a class B club or a drinking establishment license.

14-19-20. Refund upon voluntary cancellation. Provides for refund of one-twelfth of the annual license fee for each full calendar month of the license which remains, if the license is voluntarily cancelled and

application for such refund is made to the director at the time of notice of cancellation.

14-19-21. Guests of members; reciprocal members; registration. Defines requirements and privileges of guests and reciprocal members of licensed private clubs.

14-19-22. Roster of stockholders, partiers, beneficiaries or associates. Each licensee shall maintain a current roster of stockholders, partners, beneficiaries or associates who are entitled to access and use of the licensed premises and to services offered by the licensee.

14-19-23. Agreement for reciprocal membership. Permits two or more class A clubs to establish reciprocity of club membership.

14-19-24. Employees; registration of same; those prohibited. Defines criteria for officers and employees of a club who are involved in the mixing, selling, serving or dispensing of alcoholic liquor.

14-19-25. Purchase of alcoholic liquor and cereal malt beverages; requirements and restrictions thereon. Permits purchase and delivery of alcoholic liquor only from a retailer and purchase and delivery of bulk wine, beer and cereal malt beverages from a distributor.

14-19-26. Licensee's responsibility for conduct of business and employees. Makes licensee responsible for any violation of rules and regulations by employees or other persons under contract related to the operation of any club while such employees or persons are engaged in and acting in the course of their employment.

14-19-27. Storage of liquor. Requires storage of liquor on the licensed premises of the club unless it has written approval from the director to do otherwise. Each club shall inform the director where liquor is stored in the club.

14-19-28. Removal of liquor from club premises prohibited. Prohibits removal of alcoholic liquor purchased on the club premises. A club shall not make any sales of alcoholic liquor which are not made for on-premise consumption.

14-19-29. Nontaxed liquor and refilling of containers prohibited. Prohibits refilling original alcoholic liquor containers.

14-19-30. Cereal malt beverages sale allowed. Requires a club to notify the director when it obtains or renews a license for the retail sale of cereal malt beverages.

14-19-31. Minimum prices for drinks; how determined. Prohibits any licensed club from selling a drink to any person for less than the acquisition cost of that drink and defines acquisition cost as the cost of all alcoholic liquor and any liquid of a non-alcoholic nature contained in the drink.

14-19-32. Clubs charge the same price for the same drink all day; day defined. Prohibits variable prices for the same drink between the opening and closing hours for a single business day.

14-19-33. Licensee must pay city or county license tax before making sales. Requires licensee to pay annual occupation or license tax imposed by the city or county before operating club for business. No li-

icensee shall sell 3.2 beer without first having obtained a cereal malt beverage license.

14-19-34. Federal retail stamp. Requires licensees to purchase from the United States bureau of alcohol, tobacco and firearms a federal retail stamp and to display stamp, or proof of payment for the stamp, in public view on the licensed premises.

14-19-35. Excise, sales and withholding tax must be current. Makes class A club subject to a fine or cancellation of its license for delinquent payment of excise taxes, sales tax, withholding tax; or failure to register with director of taxation for an excise tax registration number, retailers' sales tax number or Kansas withholding tax number.

14-19-36. Suspension and revocation; grounds for; procedure.

14-19-37. Public functions upon licensed premises; when allowed; approval of director. Requires written approval of the director for public functions on licensed premises and states specific requirements and restrictions for such functions.

Article 20—Class B Clubs

14-20-1, 14-20-2, 14-20-4, 14-20-7, 14-20-8, 14-20-9, and 14-20-10. Revoked.

14-20-14. Definitions. Defines the following terms: alcoholic liquor, beer, beneficial interest, bulk wine, cereal malt beverage, director, distributor, licensed premises, manager, member, morals charge, person, retailer, restaurant, spirits, and wine.

14-20-15. Applications and renewals; documents required. Describes the procedure and appropriate documents deemed necessary by the director to apply for a class B club license.

14-20-16. Requirements for class B club license. Describes restrictions pertaining to officers, managers, directors, stockholders, spouses, partners, or owners associated with corporations, partnerships, or other entities operating a class B club.

14-20-17. Issuance of license. Provides the criteria for the director to issue or refuse to issue a license to an applicant.

14-20-18. Licenses, loss or destruction of; application for and issuance of duplicate. States procedures for obtaining duplicate license.

14-20-19. Change of club status. States requirements to maintain status as a class B club and permits change of status from a class B club to a drinking establishment.

14-20-20. Refund upon voluntary cancellation. Provides for refund of one-twelfth of the annual license fee for each full calendar month of the license which remains, if the license is voluntarily cancelled and application for such refund is made to the director at the time of notice of cancellation.

14-20-21. Guests of members; guests of management; reciprocal members; registration. Defines requirements and privileges of guests and reciprocal members of licensed private clubs.

14-20-22. Roster of members. The licensee shall maintain, at all times upon the licensed premises, a current roster of members who are entitled to access

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and use of the licensed premises and the services offered thereon.

14-20-23. Agreement for reciprocal membership. Permits two or more class B clubs which are restaurants to establish reciprocity of club membership.

14-20-24. Restaurant clubs; criteria for determination; gross receipts affidavit; estimates. Provides procedure for determining restaurant status based on proportion of food sales to total gross sales for purposes of reciprocity and multiple ownership of class B clubs.

14-20-25. Temporary memberships; granting, records, and billing. Requires records of temporary memberships to registered, nonresident guests of hotels and to air travelers granted by clubs collocated on hotel or airport premises.

14-20-26. Employees; registration of same; those prohibited. Defines criteria for officers and employees of a club who are involved in the mixing, selling, serving or dispensing of alcoholic liquor.

14-20-27. Purchase of alcoholic liquor and cereal malt beverages; requirements and restrictions thereon. Permits purchase and delivery of alcoholic liquor only from a retailer and purchase and delivery of bulk wine, beer and cereal malt beverages from a distributor.

14-20-28. Licensee's responsibility for conduct of business and employees. Makes licensee responsible for any violation of rules and regulations by employees or other persons under contract related to the operation of any club while such employees or persons are engaged in and acting in the course of their employment.

14-20-29. Storage of liquor. Requires storage of liquor on the licensed premises of the club unless it has written approval from the director to do otherwise. Each club shall inform the director where liquor is stored in the club.

14-20-30. Removal of liquor from club premises prohibited. Prohibits removal of alcoholic liquor purchased on the club premises. A club shall not make any sales of alcoholic liquor which are not made for on-premise consumption.

14-20-31. Nontaxed liquor and refilling of containers prohibited. Prohibits refilling original alcoholic liquor containers.

14-20-32. Cereal malt beverages sale allowed. Requires a club to notify the director when it obtains or renews a license for the retail sale of cereal malt beverages.

14-20-33. Minimum prices for drinks; how determined. Prohibits any licensed club from selling a drink to any person for less than the acquisition cost of that drink and defines acquisition cost as the cost of all alcoholic liquor and any liquid of a non-alcoholic nature contained in the drink.

14-20-34. Clubs charge the same price for the same drink all day; day defined. Prohibits variable prices for the same drink between the opening and closing hours for a single business day.

14-20-35. Licensee must pay city or county license tax before making sales. Requires licensee to pay annual occupation or license tax imposed by the city

or county before operating club for business. A licensee shall not sell 3.2 beer without first having obtained a cereal malt beverage license.

14-20-36. Federal retail stamp. Requires licensees to purchase from the United States bureau of alcohol, tobacco and firearms a federal retail stamp and to display stamp, or proof of payment for the stamp, in public view on the licensed premises.

14-20-37. Excise, sales and withholding tax must be current. Makes class B club subject to a fine or cancellation of its license for delinquent payment of excise taxes, sales tax, withholding tax; or failure to register with director of taxation for an excise tax registration number, retailers' sales tax number or Kansas withholding tax number.

14-20-38. Suspension and revocation; grounds for; procedure.

14-20-39. Public functions upon licensed premises; when allowed; approval of director. Requires written approval of the director for public functions on licensed premises and states specific requirements and restrictions for such functions.

Article 21—Drinking Establishments (new)

14-21-1. Definitions. Defines the following terms: alcoholic liquor, beer, beneficial interest, bulk wine, cereal malt beverage, director, distributor, licensed premises, manager, morals charge, person, restaurant, retailer, spirits, and wine.

14-21-2. Applications and renewals; documents required. Describes the procedure and appropriate documents deemed necessary by the director to apply for a drinking establishment license.

14-21-3. Requirements for drinking establishment license. Describes restrictions pertaining to officers, managers, directors, stockholders, spouses, partners, or owners associated with corporations, partnerships, or other entities operating a drinking establishment.

14-21-4. Issuance of license. Provides the criteria for the director to issue or refuse to issue a license to an applicant.

14-21-5. Licenses, loss or destruction of; application for and issuance of duplicate. States procedures for obtaining duplicate license.

14-21-6. Change of drinking establishment status. States requirements to change status to a class A or class B club.

14-21-7. Refund upon voluntary cancellation. Provides for refund of one-twelfth of the annual license fee for each full calendar month of the license which remains, if the license is voluntarily cancelled and application for such refund is made to the director at the time of notice of cancellation.

14-21-8. Restaurant drinking establishments; criteria for determination; gross receipts affidavit; estimates. Provides procedure for determining restaurant status based on proportion of food sales to total gross sales for purposes of multiple ownership of drinking establishments.

14-21-9. Employees; registration of same; those prohibited. Defines criteria for officers and employees of a drinking establishment who are involved in the

mixing, selling, serving or dispensing of alcoholic liquor.

14-21-10. Purchase of alcoholic liquor and cereal malt beverages; requirements and restrictions thereon. Permits purchase and delivery of alcoholic liquor only from a retailer and purchase and delivery of bulk wine, beer and cereal malt beverages from a distributor.

14-21-11. Licensee's responsibility for conduct of business and employees. Makes licensee responsible for any violation of rules and regulations by employees or other persons under contract related to the operation of any drinking establishment while such employees or persons are engaged in and acting in the course of their employment.

14-21-12. Storage of liquor. Requires storage of liquor on the licensed premises of the drinking establishment unless it has written approval from the director to do otherwise. Each club shall inform the director where liquor is stored in the club.

14-21-13. Removal of liquor from club premises prohibited. Prohibits removal of alcoholic liquor purchased on the club premises. A club shall not make any sales of alcoholic liquor which are not made for on-premise consumption.

14-21-14. Nontaxed liquor and refilling of containers prohibited. Prohibits refilling original alcoholic liquor containers.

14-21-15. Cereal malt beverages sale allowed. Requires a drinking establishment to notify the director when it obtains or renews a license for the retail sale of cereal malt beverages.

14-21-16. Minimum prices for drinks; how determined. Prohibits any licensed drinking establishment from selling a drink to any person for less than the acquisition cost of that drink and defines acquisition cost as the cost of all alcoholic liquor and any liquid of a non-alcoholic nature contained in the drink.

14-21-17. Drinking establishments charge the same price for the same drink all day; day defined. Prohibits variable prices for the same drink between the opening and closing hours for a single business day.

14-21-18. Licensee must pay city or county license tax before making sales. Requires licensee to pay annual occupation or license tax imposed by the city or county before operating a drinking establishment. A licensee shall not sell 3.2 beer without first having obtained a cereal malt beverage license.

14-21-19. Federal retail stamp. Requires licensees to purchase from the United States bureau of alcohol, tobacco and firearms a federal retail stamp and to display stamp, or proof of payment for the stamp, in public view on the licensed premises.

14-21-20. Excise, sales and withholding tax must be current. Makes a drinking establishment subject to a fine or cancellation of its license for delinquent payment of excise taxes, sales tax, withholding tax; or failure to register with director of taxation for an excise tax registration number, retailers' sales tax number or Kansas withholding tax number.

14-21-21. Suspension and revocation; grounds for; procedure.

Article 22—Caterer (new)

14-22-1. Definitions. Defines the following terms: alcoholic liquor, beer, bulk wine, cereal malt beverage, director, distributor, event, morals charge, organization, permitted premises, person, principal place of business, retailer, spirits, sponsor, and wine.

14-22-2. Applications and renewals; documents required. Describes the procedure and appropriate documents deemed necessary by the director to apply for a caterer's license.

14-22-3. Requirements for caterer's license. Describes restrictions pertaining to officers, managers, directors, stockholders, spouses, partners, or owners associated with corporations, partnerships, or other entities operating as a caterer.

14-22-4. Issuance of license. Provides the criteria for the director to issue or refuse to issue a license to an applicant.

14-22-5. Licenses, loss or destruction of; application for and issuance of duplicate or additional. States procedures for obtaining duplicate or additional license.

14-22-6. Events; filings; notice; food sales required.

14-22-7. Refund upon voluntary cancellation. Provides for refund of one-twelfth of the annual license fee for each full calendar month of the license which remains, if the license is voluntarily cancelled and application for such refund is made to the director at the time of notice of cancellation.

14-22-8. Drinking establishments/caterer criteria for determination; gross receipts affidavit; estimates. A drinking establishment may obtain a license as a caterer by completing necessary forms required by the director.

14-22-9. Employees; registration of same; those prohibited. Defines criteria for officers and employees of a caterer who are involved in the mixing, selling, serving or dispensing of alcoholic liquor.

14-22-10. Purchase of alcoholic liquor; requirements and restrictions thereon. Permits purchase and delivery of alcoholic liquor only from a retailer and purchase and delivery of bulk wine and beer from a distributor.

14-22-11. Licensee's responsibility for conduct of business and employees. Makes licensee responsible for any violation of rules and regulations by employees or other persons under contract related to the operation of any caterer while such employees or persons are engaged in and acting in the course of their employment.

14-22-12. Storage of liquor. Requires storage of liquor in a specific location at the caterer's principal place of business unless it has written approval from the director to do otherwise.

14-22-13. Removal of liquor from event premises prohibited. Prohibits removal of alcoholic liquor purchased on the event premises.

14-22-14. Nontaxed liquor and refilling of containers prohibited. Prohibits refilling original alcoholic liquor containers.

14-22-16. Minimum prices for drinks; how determined. Prohibits any licensed caterer from selling a

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drink to any person for less than the acquisition cost of that drink and defines acquisition cost as the cost of all alcoholic liquor and any liquid of a non-alcoholic nature contained in the drink.

14-22-17. Caterers charge the same price for the same drink all day; day defined. Prohibits variable prices for the same drink between the opening and closing hours for a single business day.

14-22-18. Licensee must pay city or county license tax before making sales. Requires licensee to pay any occupation or license tax imposed by the city or county before operating a principal place of business or holding an event at a location in the city or county where such tax is required.

14-22-19. Federal retail stamp. Requires licensees to purchase from the United States bureau of alcohol, tobacco and firearms a federal retail stamp and to display stamp, or proof of payment for the stamp, in public view at the licensee's principal place of business.

14-22-20. Excise, sales and withholding tax must be current. Makes caterer subject to a fine or cancellation of its license for delinquent payment of excise taxes, sales tax, withholding tax; or failure to register with director of taxation for an excise tax registration number, retailers' sales tax number or Kansas withholding tax number.

14-22-21. Suspension and revocation; grounds for; procedure.

Article 23—Temporary Permits (new)

14-23-1. Definitions. Defines the following terms: alcoholic liquor, beer, beneficial interest, cereal malt beverage, director, distributor, event, licensed premise, morals charge, organization, permitted premises, person, retailer, spirits, and wine.

14-23-2. Applications; documents required. Describes the procedure and appropriate documents deemed necessary by the director to apply for a temporary permit.

14-23-3. Requirements for temporary permit. Describes restrictions pertaining to officers, managers, directors, stockholders, partners, or owners associated with corporations, partnerships, or other entities operating under a temporary permit.

14-23-4. Issuance of permit. Provides the criteria for the director to issue or refuse to issue a temporary permit to an applicant.

14-23-5. Events; filings; notice; prohibitions.

14-23-6. Refund upon voluntary cancellation. Temporary permit fees shall not be refunded by the director upon cancellation of a permit or event, regardless of the reason.

14-23-7. Employees; those prohibited. A temporary permit holder shall not employ any person under 18 years of age to serve alcoholic liquor; any person under 21 years of age to mix or dispense alcoholic drinks; or, any person convicted of a felony, a crime involving a morals charge, or a violation of any intoxicating liquor law of any state.

14-23-8. Purchase of alcoholic liquor; requirements and restrictions thereon.

14-23-9. Permit holder's responsibility for conduct of event.

14-23-10. Removal of liquor from event premises prohibited. A permit holder shall not make any sales of alcoholic liquor which are not made for consumption at an event and upon the permitted premises.

14-23-11. Nontaxed liquor and refilling of containers prohibited. Prohibits refilling original alcoholic liquor containers.

14-23-12. Minimum prices for drinks; how determined. Prohibits any permit holder from selling a drink to any person for less than the acquisition cost of that drink and defines acquisition cost as the cost of all alcoholic liquor and any liquid of a non-alcoholic nature contained in the drink.

14-23-13. Charge the same price for the same drink all day; day defined. Prohibits variable prices for the same drink between the opening and closing hours for a single business day.

14-23-14. Federal retail stamp. Requires licensees to purchase from the United States bureau of alcohol, tobacco and firearms a federal retail stamp and to display stamp, or proof of payment for the stamp, in public view at the event.

14-23-15. Suspension and revocation; grounds for; procedure.

Agency 13, Alcoholic Beverage Control Board of Review, and all its active administrative regulations have been abolished pursuant to 1987 Session Laws of Kansas, Chapter 182, effective July 1, 1987.

TOM HANNA
Director, Division of
Alcoholic Beverage Control

Doc. No. 005957

State of Kansas

DEPARTMENT ON AGING

NOTICE OF HEARING ON PROPOSED

ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10 a.m. Friday, December 4, in Room C on the second floor of the KNEA Building, 715 W. 10th, Topeka, to consider the adoption of proposed administrative regulations of the Kansas Department on Aging.

All interested parties may submit written comments prior to the hearing to the Secretary of Aging, Kansas Department on Aging, 610 W. 10th, Topeka 66612. All interested parties will be given a reasonable opportunity at the hearing to orally present their views in regard to the adoption of the proposed regulation. 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 hearing, all written and oral comments submitted by interested parties prior to and at the hearing will be considered by the Secretary of Aging as the basis for making changes to the proposed regulations. Copies of the regulations and the fiscal impact statement may be obtained by writing the Department on Aging.

There is no fiscal impact resulting from the adoption of the proposed regulations that are briefly summarized as follows:

26-1-1 through 26-6-6 contain the addition for clarification purposes of the sentence, "Revised final financial reports received after April 15th of the calendar year following the end of the grant period shall not be considered a final financial report," and additional minor wording changes are also included.

ESTHER VALLADOLID WOLF
Secretary of Aging

Doc. No. 005974

State of Kansas

**OFFICE OF THE
SECURITIES COMMISSIONER**

**NOTICE OF HEARING
ON PROPOSED**

ADMINISTRATIVE REGULATIONS

A public hearing will be conducted from 9:30-10 a.m. Tuesday, December 1, at the Office of the Securities Commissioner of Kansas, Suite 552, Landon State Office Building, 900 S.W. Jackson, Topeka, to consider the adoption and amendment of permanent and temporary regulations of the commissioner.

All interested parties may submit written comments prior to the hearing to the commissioner at the address above. All interested parties will be given a reasonable opportunity at the hearing to express their views orally in regard to adoption of the proposed amendments and revocations. Following the hearing, all written and oral comments submitted by interested parties will be considered by the commissioner as a basis for making any changes to the proposed amendments or revocations.

The following is a brief summary of the proposed regulations and amendments, and the anticipated fiscal impact:

K.A.R. 81-7-1. Statements of policy relating to registration of securities. The proposed amendment states with more particularity and clarity the requirements as to financial statements submitted in connection with applications to register securities. It implements the industry advisory committee recommendations pertaining to limitations on commissions and expenses incurred in connection with a registered offering and requirements as to escrow of cheap stock, which were contemplated by the amendment of K.S.A. 17-1259 through L. 1987, ch. 84, § 1. Specifically, it continues the 15 percent limit on commissions and expenses, but provides express authority for the commissioner to waive the limitation in the case of registered offerings smaller than \$3 million. It implements a new definition of cheap stock and liberalizes the circumstances in which escrow of cheap stock is required, as well as the release provisions. Additionally, the proposed amendment deletes superfluous and archaic language and more clearly states current policies pertaining to the review of registration applications. There is no determinable fiscal im-

part of this amendment on this agency, businesses regulated by this agency, or the general public.

Copies of the full text of the proposed amendments and regulations and the fiscal impact statements may be obtained by writing to the Office of the Securities Commissioner.

M. DOUGLAS MAYS
Securities Commissioner
of Kansas

Doc. No. 005975

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