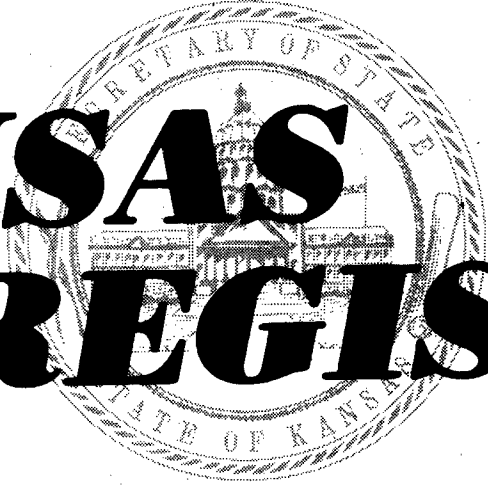


# KANSAS REGISTER



State of Kansas

**BILL GRAVES**  
Secretary of State

Vol. 7, No. 5

February 4, 1988

Pages 91-122

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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, February 19, 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. 006171

State of Kansas  
**SOCIAL AND REHABILITATION SERVICES**  
**KANSAS CITIZENS' COMMITTEE ON**  
**ALCOHOL AND OTHER DRUG ABUSE**

**NOTICE OF MEETING**

The quarterly meeting previously scheduled for January 8 for the Kansas Citizens' Committee on Alcohol and Other Drug Abuse has been rescheduled for February 12 in the south lower lounge of the Ramada Inn Downtown, 420 E. 6th, Topeka. The meeting will begin at 8:30 a.m. and end at 3:30 p.m. The public is invited to attend.

ANDREW O'DONOVAN  
 Commissioner of Alcohol and  
 Drug Abuse Services

Doc. No. 006170

State of Kansas  
**DEPARTMENT OF ADMINISTRATION**  
**KANSAS STATE EMPLOYEES**  
**HEALTH CARE COMMISSION**

**NOTICE OF MEETING**

The Kansas State Employees Health Care Commission will meet at 3 p.m. Friday, February 19, in the third floor conference room of the Kansas Insurance Department, 420 S.W. 9th, Topeka.

H. EDWARD FLENTJE  
 Chairman

Doc. No. 006161

State of Kansas  
**SECRETARY OF STATE**

**NOTICE**

TO ALL TO WHOM THESE PRESENTS SHALL  
 COME, GREETINGS:

I, Bill Graves, Secretary of State of the State of Kansas, do hereby certify that pursuant to the provisions of K.S.A. 1987 Supp. 16-207, the maximum effective rate of interest per annum for notes secured by all real estate mortgages and contracts for deed for real estate executed during the period of February 1, 1988 through February 29, 1988 shall be 11.36 percent.

In testimony whereof: I have hereto set my hand and cause to be affixed my seal. Done at the City of Topeka, this 29th day of January, A.D. 1988.

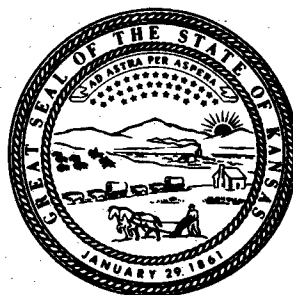
BILL GRAVES  
 Secretary of State

Doc. No. 006180

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Phone: (913) 296-3489

## State of Kansas

**NORTHWEST KANSAS GROUNDWATER  
MANAGEMENT DISTRICT NO. 4****NOTICE OF MEETING**

The February board meeting of the Northwest Kansas Groundwater Management District No. 4 will be held at 10 a.m. Thursday, February 18, in the district office, 1175 S. Range, Colby. General administrative matters and other business will be discussed. Beginning at 11 a.m., the Board of Directors will hold a public hearing on the proposed 1988 revised operating budget.

The board will then convene their 13th annual meeting beginning at 2 p.m. C.S.T. at the Ramada Inn, Colby. Meeting business will consist of the election of four board positions, presentations on the 1987 financial status of the district, and the proposed 1989 operating budget.

WAYNE A. BOSSERT  
Manager

Doc. No. 006163

## State of Kansas

**DEPARTMENT ON AGING  
ADVISORY COUNCIL ON AGING****NOTICE OF HEARING ON THE  
NEEDS OF OLDER KANSANS**

The State Advisory Council on Aging, in conjunction with the Kansas Department on Aging (KDOA), will conduct a statewide public hearing on the needs of older Kansans from 2:30-3:45 p.m. Wednesday, February 17, in the Conference Centre at the Kansas Expo Centre, Topeka, in conjunction with KDOA's Bi-Annual Training and Older Kansans Days at the Legislature.

The purpose of the hearing is to receive direct input from interested individuals and organizations about the needs of older Kansans and other aging issues. Testimony will aid in the development and implementation of aging policies and programs.

Persons wishing to speak at the hearing are asked to notify KDOA prior to February 17 and to provide a written copy of their comments at the hearing. Depending upon the number of persons wishing to be heard, the time available for oral presentations may be limited. Written comments will be accepted by KDOA through February 29.

For more information contact Suellen Weber at KDOA, 610 W. 10th, Topeka 66612, (913) 296-4986 or 1-800-432-3535.

ESTHER VALLADOLID WOLF  
Secretary of Aging

Doc. No. 006162

## State of Kansas

**UNIVERSITY OF KANSAS****NOTICE TO BIDDERS**

Sealed bids for the items listed below will be received by the University of Kansas Purchasing Office, Lawrence, until 2 p.m. C.S.T. on the date indicated and will then be publicly opened. Interested bidders may call (913) 864-3416 for additional information.

Tuesday, February 16, 1988

#88 0549

HPLC pumps, gradient mixing chamber, system controller, injector and recording data processor.

GENE PUCKETT, C.P.M.  
Director of Purchasing

Doc. No. 006164

## State of Kansas

**OFFICE OF THE GOVERNOR****EXECUTIVE ORDER NO. 88-102****RESCINDING THE KANSAS  
INTERGOVERNMENTAL REVIEW PROCESS**

WHEREAS, Executive Order No. 84-75 issued October 12, 1984, established the Kansas Intergovernmental Review Process in conformance with Presidential Executive Order 12372 and directed the Kansas Single Point of Contact to implement such Process for the State of Kansas; and

WHEREAS, Presidential Executive Order 12372 does not require state participation in the process as a condition for the receipt and disbursement of federal grant monies; and

WHEREAS, the process duplicates the review of many federal agencies that have established their own intergovernmental review requirements; and

WHEREAS, state agencies desiring to participate in the review process may continue to do so on an individual basis; and

WHEREAS, the cost of state resources dedicated to the process, compared to the benefits received, cannot be justified.

NOW, THEREFORE, pursuant to the authority vested in me as Governor and chief executive of the State of Kansas, I hereby rescind Executive Order No. 84-75 and withdraw the State of Kansas from participation in the Kansas Intergovernmental Review Process.

This document shall be filed with the Secretary of State as Executive Order No. 88-102 and shall become effective immediately.

Dated January 27, 1988.

MIKE HAYDEN  
Governor

Attest: BILL GRAVES  
Secretary of State

Doc. No. 006176

**State of Kansas**  
**STATE BANK COMMISSIONER**  
**STATE BANKING BOARD**

**NOTICE OF MEETING**

The State Banking Board will meet at 9:30 a.m. Monday, February 15, in the conference room of the State Banking Department, Suite 300, 700 Jackson, Topeka. The board reviews matters relating to its supervisory authority set forth in K.S.A. 9-1801 *et seq.*

W. NEWTON MALE  
 State Bank Commissioner

Doc. No. 006167

**State of Kansas**  
**OFFICE OF THE GOVERNOR**

**EXECUTIVE ORDER NO. 88-103**

**OFFER OF REWARD**

WHEREAS, Charles "Chuck" Thompson, age 56, of Kansas City, Kansas, was murdered on December 21, 1987, at 5000 State Avenue, Kansas City, Kansas; and

WHEREAS, said killing appears to have been a heinous crime and homicide in violation of the laws of the State of Kansas.

NOW, THEREFORE, by virtue of the authority vested in me by K.S.A. 75-113, I, Mike Hayden, Governor of the State of Kansas, do hereby offer a reward of five thousand dollars (\$5,000.00) for information leading to the apprehension and conviction of the perpetrator(s) of this crime.

This document shall be filed with the Secretary of State as Executive Order No. 88-103, and shall become effective immediately.

Dated January 26, 1988.

MIKE HAYDEN  
 Governor

Attest: BILL GRAVES  
 Secretary of State

Doc. No. 006168

**State of Kansas**  
**OFFICE OF THE GOVERNOR**

**EXECUTIVE ORDER NO. 88-104**

**ESTABLISHING A TASK FORCE ON  
 THE FUTURE OF RURAL COMMUNITIES**

WHEREAS, the Constitution of the State of Kansas vests supreme executive power in the Governor;

WHEREAS, state policymakers have taken many actions in recent years to improve the climate for economic development in Kansas including establishing the Kansas Technology Enterprise Corporation, the Kansas Venture Capital Company, Kansas, Inc., the Economic Development Initiatives Fund, tax credits for research and development activities, enterprise zone sales tax exemptions, and the Kansas Department of Commerce;

WHEREAS, the people of Kansas have shown their support of economic development initiatives through passage of constitutional amendments to allow for property tax abatements, and state investment in internal improvements;

WHEREAS, there are many state entities working to improve the economy of Kansas including the Department of Commerce, the Board of Agriculture, and the Cooperative Extension Service;

WHEREAS, rural Kansas has suffered a serious decline in both the oil and agriculture sectors of its economy;

WHEREAS, many rural communities and regions of the state continue to experience losses of younger Kansans because of a lack of employment opportunities;

WHEREAS, the economic viability of many rural Kansas communities is endangered by these and other events;

WHEREAS, the continued and equitable development of the human, economic and natural resources of Kansas is in the best interest of the people and communities of the state, and is a vital concern of state government;

WHEREAS, state government has a responsibility for contributing to favorable conditions for economic development in rural Kansas;

WHEREAS, state development initiative, through the coordination of state policies, programs, and planning activities would result in public benefits greater than the sum of individual efforts by the development agencies of state government.

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of Kansas, I hereby establish the Task Force on the Future of Rural Communities. The Governor shall designate not more than 18 persons from outside and within state government. These Kansans will have expertise and experience in the issues and problems facing rural Kansas and will serve without compensation.

This task force will be staffed by the Department of Commerce and shall be charged with:

1. Examining the key economic problems facing rural Kansas;
2. Reviewing available programs and resources to address these problems;
3. Developing a plan to coordinate and channel resources to most effectively assist rural Kansas; and
4. Developing short and long-range recommendations for the 1988 and 1989 sessions of the Kansas Legislature to improve the economic climate of rural Kansas.

If compelling cause develops, revisions to this Order will be considered.

This document shall be filed with the Secretary of State as Executive Order No. 88-104 and shall become effective immediately.

Dated January 27, 1988.

MIKE HAYDEN  
 Governor

Attest: BILL GRAVES  
 Secretary of State

Doc. No. 006177

State of Kansas

**DEPARTMENT OF HEALTH AND ENVIRONMENT**

**NOTICE CONCERNING KANSAS 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**

Lee Stadel  
4426 Wildcat Road  
Manhattan, KS 66502

**Legal Description**  
SE1/4, Section 25,  
Township 14S,  
Range 8W,  
Ellsworth County,  
Kansas

**Receiving Water**  
Smoky Hill River  
Basin

Kansas Permit No. A-SHEW-H001 Federal Permit No. KS-0080471

The facility has capacity for approximately 3,000 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.

**Name and Address of Applicant**

Coronado Feed Yard, Inc.  
Route 3, Box 288  
Dodge City, KS 67801

**Legal Description**  
NE1/4, Section 29,  
Township 27S,  
Range 23W, Ford  
County, Kansas

**Waterway**  
Upper Arkansas  
River Basin

Kansas Permit No. A-UAFO-CO12 Federal Permit No. KS-0079171

The feedlot has capacity for approximately 10,000 cattle and a contributing drainage area of approximately 50 acres. Runoff Control Facilities: Feedlot runoff is impounded for subsequent disposal upon agricultural land. Storage capabilities are provided in excess of 18.75 acre-feet.

Compliance Schedule: None, existing controls adequate.

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

All comments received prior to March 4 will be considered in the formulation of final determinations regarding this public notice. Please refer to the appropriate application number (KS-AG-88-1/2) and name of applicant as listed in preparing comments. If no objections are received, the Secretary of Health and Environment will issue the final determination 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, Building

740, Forbes Field, Topeka, from 8 a.m. to 4:30 p.m. Monday through Friday.

The 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. 006172

State of Kansas

**BOARD OF EDUCATION**

**REQUEST FOR PROPOSALS CONCERNING ADULT BASIC EDUCATION**

Pursuant to Section 310 of the Adult Education Act (P.L. 91-230), as amended by the Educational Amendments of 1984 (P.L. 98-511), the Kansas State Department of Education, Adult Education Unit, is requesting special demonstration/teacher training project proposals for adult basic education for fiscal year 1989. Proposals should address the methods of adult basic education that, as a result of their completion, will provide improved staff development programs and demonstration projects that reflect state, regional and national needs.

Special consideration will be given to project applications which emphasize methods that will:

- enable all adults to acquire basic literacy skills necessary to function in society;
- enable adults who do desire to continue their education to at least the level of completion of secondary school; and
- make available to adults a means to secure training and education that will enable them to become more employable, productive, and responsible citizens.

Applications will be accepted until March 25. Further information and application forms may be obtained by contacting Phil Thomas, Adult Education Unit, Kansas State Department of Education, 120 E. 10th, Topeka 66612, (913) 296-3192.

LEE DROEGEMUELLER  
Commissioner of Education

Doc. No. 006175

(Published in the *Kansas Register*, February 4, 1988.)

**NOTICE OF CALL FOR REDEMPTION  
to the holders of  
City of Udall, Kansas  
Cable Television Revenue Bonds  
Series 1982  
Dated March 1, 1982**

Notice is hereby given that pursuant to the provisions of Section 4 of Ordinance No. 395 of the city of Udall, Kansas, the above mentioned bonds numbered 14 and 16 maturing in the year 1992 have been called for redemption and payment on March 1, 1988 at the offices of the Southwest National Bank of Wichita, P.O. Box 1401, 400 E. Douglas, Wichita, KS 67201.

On such redemption date there shall become due and payable on each of the above mentioned bonds a redemption price thereof equal to 100 percent of the principal amount of each bond, together with interest accrued to the redemption date (upon presentation and surrender for each such bond and all appurtenant coupons). Interest shall cease to accrue on the bonds from and after March 1, 1988 and the interest coupons maturing after March 1, 1988 shall be void.

The Southwest National Bank of  
Wichita, Kansas as Trustee for the  
City of Udall, Kansas  
By Shirley Turner-Grommet  
Assistant Trust Officer

Doc. No. 006169

**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.

**Tuesday, February 16, 1988**

#A-5750

Fort Hays State University—ALBERTSON HALL  
ROOF REPLACEMENT

#26425

Kansas Highway Patrol and other state agencies—  
OFFICERS' LEATHER UNIFORM ACCESSORIES

#27139

University of Kansas Medical Center—FROZEN  
JUICES

#27532

Statewide—ENVELOPES—UNPRINTED

#27771

Department of Human Resources—REFUSE  
COLLECTION SERVICE

#72639

Kansas State University—GRAIN

#72700

University of Kansas Medical Center—FTIR  
SPECTROPHOTOMETER

**Wednesday, February 17, 1988**

#27770

Department of Human Resources—SECURITY  
GUARD SERVICES

#72645

University of Kansas—MAGNETIC TAPE

**Thursday, February 18, 1988**

#27578

University of Kansas Medical Center—  
MISCELLANEOUS BEVERAGES

#72660

Department of Transportation—PAINT STRIPERS,  
various locations

#72661

University of Kansas—PLAIN PAPER COPIER

#72662

Department of Administration, Division of Printing—  
ENVELOPES

#72665

University of Kansas—WORKSTATION AND  
CABLES

#72666

University of Kansas—CINE CAMERA AND FILM  
ANALYZER

#72675

Kansas Correctional Institution at Lansing—  
BARBER/BEAUTY EQUIPMENT

#72676

University of Kansas—AIR COMPRESSORS

**Friday, February 19, 1988**

#72693

Department of Transportation—AGGREGATE,  
various locations

#72694

Department of Transportation—BITUMINOUS  
MIXTURE

#72703

University of Kansas—FIBER OPTIC CABLE AND  
INSTALLATION OF FIBER OPTIC CABLE

#72704

Pittsburg State University—INSPECTION AND  
REPAIR OF CHILLER

#72720

Kansas Wheat Commission—STATION WAGON

#72721

University of Kansas Medical Center—UNILOADER

**Monday, February 22, 1988**

#72312-A

University of Kansas—CAD WORKSTATION

**Tuesday, February 23, 1988**

#72560

Department of Social and Rehabilitation Services—  
TERMINALS, PRINTERS AND CONTROLLERS FOR  
A DATA GENERAL MV20000 SYSTEM

**NICHOLAS B. ROACH**  
Director of Purchases

Doc. No. 006173

## State of Kansas

## ATTORNEY GENERAL

## Opinion No. 88-5

**Cities and Municipalities—Governmental Organization—Consolidation of Operations, Procedures and Functions by a Political and Taxing Subdivision or by Two or More Subdivisions; Procedure; Elimination of Elective Office.** Gary L. Flory, McPherson County Counselor, McPherson, January 19, 1988.

Subject to compliance with mandated procedures which include electorate approval, the governmental organization act permits the elimination of an elected office and the assumption of its duties by one or more offices or agencies. The elimination of the office and the assumption of its functions and duties by other entities must further efficiency or avoid duplication and must not be a sham elimination of an elected office done to avoid civil service or tenure requirements. When the county commission possesses authority to create and appoint a county office, the consolidation statutes permit duties of an eliminated elected office to be transferred to that appointive office. K.S.A. 12-3906 may, however, allow other state agencies affected by the consolidation to place independent requirements on such delegations.

Pursuant to K.S.A. 25-314, an appointed term of office extends only until the date the office is abolished. Consolidation statutes do not allow premature divestment of the term of office of a person elected to that position. The election statutes contain the authority and procedures allowing an elected term to be interrupted. Cited herein: K.S.A. 12-3901; 12-3903; 12-3905; 12-3906; 12-3907; 19-101a; 19-501; 25-312; 25-314. TMN

## Opinion No. 88-6

**State Boards, Commissions and Authorities—Kansas Water Office and Kansas Water Authority—Duties of Office—Conservation Plans, Effect on Existing Water Rights.** Gary Baker, Manager, Groundwater Management District No. 3, Garden City, January 19, 1988.

Water conservation measures which reduce an existing water right are compensable takings if such measures are imposed to preserve water for future public use. Compensation is not necessary if conservation is required in order to promote health, safety and welfare. Cited herein: K.S.A. 1987 Supp. 74-2608; 82a-711(d); U.S. Const., Amend. V. MWS

## Opinion No. 88-7

**Cities and Municipalities—General Provisions—County-wide and City Retailers' Sales Taxes; Procedure for Imposition; Election Required; Continuation in Effect of Certain Taxes.** Douglas F. Martin, Shawnee County Counselor, Topeka, January 25, 1988.

A class A city may reduce the rate of its city retailers' sales tax by adopting an ordinance under home rule powers granted by Article 12, Section 5 of the Kansas Constitution. Cited herein: K.S.A. 1987 Supp. 12-187; Kan. Const., Art. 12, § 5. TRH

ROBERT T. STEPHAN  
Attorney General

Doc. No. 006165

## State of Kansas

## LEGISLATURE

## LEGISLATIVE BILLS INTRODUCED

The following numbers and titles of bills and resolutions have been recently introduced in the 1988 Kansas Legislature.

Copies of bills and resolutions are available free of charge from the Legislative Document Room, 145-N State Capitol, Topeka 66612, (913) 296-4096.

## Bills introduced January 21-27:

## House Bills

**HB 2679**, by Representative Patrick: An act concerning professional liability insurance coverage for certain health care providers; amending K.S.A. 1987 Supp. 65-2836 and repealing the existing section; also repealing K.S.A. 40-3402.

**HB 2680**, by Representative Patrick: An act abolishing the health care stabilization fund; amending K.S.A. 40-3402, 40-3403, 40-3409, 40-3410, 40-3411 and 40-3414 and K.S.A. 1987 Supp. 40-3403 and 40-3404 and repealing the existing sections.

**HB 2681**, by Committee on Education (by request): An act concerning the teaching and school administration professional standards advisory board; relating to the power to vote of certain members thereof; amending K.S.A. 72-8502 and repealing the existing section.

**HB 2682**, by Committee on Education (by request): An act concerning tuition grants for students of accredited independent institutions; affecting the period of eligibility for the award thereof; amending K.S.A. 72-6108 and repealing the existing section.

**HB 2683**, by Committee on Education: An act relating to postsecondary education; concerning the financing of certain public institutions thereof; amending K.S.A. 13-13a25, 13-13a29, 13-13a31, 13-13a32, 13-13a33, 13-13a34, 40-2305, 44-505c, 44-710e, 71-613, 71-614, 72-6501 and 72-6503 and K.S.A. 1987 Supp. 12-16, 102, 13-13a26, 13-13a27, 13-13a28, 13-13a30, 71-301, 71-604, 71-605, 71-607, 71-609, 71-609a, 71-611, 71-612, 71-618, 71-619, 72-4424, 72-6506 and 79-5035, and repealing the existing sections; also repealing K.S.A. 72-6504 and 72-6505 and K.S.A. 1987 Supp. 71-613a.

**HB 2684**, by Representative Rolf: An act amending and supplementing the Kansas income tax act; concerning the filing requirements, determination of income, standard and itemized deductions, personal exemptions and liability of an individual thereunder; concerning the net operating loss and apportionment of business income of corporations; imposing an alternative minimum tax upon corporations; amending K.S.A. 79-3220, 79-3279, 79-32, 110, 79-32, 111a, 79-32, 119, 79-32, 120, 79-32, 121 and 79-32, 143 and K.S.A. 1987 Supp. 75-6512 and 79-32, 117 and repealing the existing sections.

**HB 2685**, by Committee on Appropriations: An act making and concerning appropriations for the fiscal year ending June 30, 1989, for the abstractors' board of examiners, board of accountancy, state bank commissioner, board of barber examiners, behavioral sciences regulatory board, state board of hearing arts, Kansas state board of cosmetology, state department of credit unions, Kansas dental board, state board of mortuary arts, Kansas board of examiners in fitting and dispensing of hearing aids, consumer credit commissioner, board of nursing, board of examiners in optometry, state board of pharmacy, Kansas real estate commission, savings and loan department, office of the securities commissioner of Kansas, state board of technical professions and state board of veterinary examiners; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

**HB 2686**, by Representatives Sughrue and Foster: An act concerning providing immunity from civil liability for certain emergency care or assistance; amending K.S.A. 1987 Supp. 65-2891 and repealing the existing section.

**HB 2687**, by Committee on Education (by request): An act concerning the Kansas high school activities association; affecting the composition of the board of directors thereof; amending K.S.A. 72-130 and repealing the existing section.

**HB 2688**, by Representatives Dyck, Buehler, Hamm, Roenbaugh and Sughrue: An act concerning blood; relating to the withdrawal thereof; prohibiting certain acts and classifying the crime and the penalties thereof.

**HB 2689**, by Committee on Judiciary: An act concerning civil procedure; relating to garnishment; amending K.S.A. 60-717 and 60-718 and K.S.A. 1987 Supp. 60-2310 and repealing the existing sections.

**HB 2690**, by Committee on Judiciary: An act concerning the periodic payment of damages in personal injury actions; enacting the periodic payment of personal injury judgments act; amending K.S.A. 40-3003, 60-262 and 60-2103 and K.S.A. 1987 Supp. 60-249a and 60-1903 and repealing the existing sections.

**HB 2691**, by Committee on Judiciary: An act concerning civil procedure; relating to exemplary damages in civil actions; amending K.S.A. 1987 Supp. 60-3402 and 60-3701 and repealing the existing sections.

**HB 2692**, by Committee on Judiciary: An act concerning civil procedure; relating to damages for noneconomic loss in personal injury actions; amending K.S.A. 1987 Supp. 60-19a01 and 60-3407 and repealing the existing sections.

**HB 2693**, by Committee on Judiciary: An act concerning civil procedure and evidence; relating to collateral source benefits; repealing K.S.A. 1987 Supp. 60-3403.

**HB 2694**, by Representative Shore: An act concerning oil and gas; relating to damages from drilling operations.

**HB 2695**, by Committee on Appropriations: An act making and concerning appropriations for the fiscal year ending June 30, 1988, for the attorney general and attorney general — Kansas bureau of investigation; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

**HB 2696**, by Representatives Baker, Bowden and Schauf: An act concerning municipalities; relating to the issuance of general obligation bonds for payment of the costs of asbestos control projects; amending K.S.A. 1987 Supp. 12-5401 and repealing the existing section.

**HB 2697**, by Representatives Sallee, Barr, Brown, Bryant, Eckert, Mollenkamp, Roenbaugh and Smith: An act relating to motor vehicles; concerning permanent registration for township motor vehicles; amending K.S.A. 1987 Supp. 8-143 and 8-1, 134 and repealing the existing sections.

**HB 2698**, by Committee on Local Government: An act relating to cities of the second and third classes; concerning appointment and term of certain officers; amending K.S.A. 14-201, 14-308 and 15-311 and K.S.A. 1987 Supp. 15-204 and repealing the existing sections.

**HB 2699**, by Committee on Local Government: An act relating to historic preservation and the protection of historic property; defining certain terms; amending K.S.A. 75-2716 and repealing the existing section.

**HB 2700**, by Representative Apt: An act creating the department of civil air patrol; relating to functions thereof; limitations on expenditures of funds; workers compensation coverage for members thereof; amending K.S.A. 1987 Supp. 44-508 and 44-511 and repealing the existing sections.

**HB 2701**, by Representative Hensley: An act concerning professional negotiation between boards of education and professional employees thereof; affecting the definition of

(continued)



terms and conditions of professional service; amending K.S.A. 72-5413 and repealing the existing section.

**HB 2702**, by Committee on Taxation: An act relating to property taxation; concerning the appeals process for taxpayer grievances resulting from the appraisal and valuation of property; amending K.S.A. 79-1448, 79-1470, 79-1472, 79-1603, 79-1606, 79-1607 and 79-1608 and K.S.A. 1987 Supp. 79-1460, 79-1481, 79-1602 and 79-1610 and repealing the existing sections; also repealing K.S.A. 79-1464.

**HB 2703**, by Representatives Love, Dillon, Johnson, Justice, Ramirez, Reardon, Roper, Rosenau, Sutter and Wisdom: An act concerning the Kansas police and firemen's retirement system; relating to retirement benefits; amending K.S.A. 74-4958 and repealing the existing section.

**HB 2704**, by Committee on Federal and State Affairs: An act relating to certain burial sites; creating an unmarked burial sites preservation board; prescribing powers and duties thereof; providing funding therefor; making certain acts unlawful and prescribing penalties therefor; amending K.S.A. 20-2801 and repealing the existing section.

**HB 2705**, by Committee on Governmental Organization: An act concerning the joint committee on administrative rules and regulations; concerning the designation of the chairperson and vice-chairperson thereof; amending K.S.A. 77-436 and repealing the existing section.

**HB 2706**, by Representative Freeman: An act concerning bridges; relating to the construction or repair thereof; amending K.S.A. 1987 Supp. 68-1103 and repealing the existing section.

**HB 2707**, by Committee on Judiciary: An act concerning crimes affecting children; furnishing cereal malt beverage to a minor; penalty; amending K.S.A. 1987 Supp. 21-3610a and repealing the existing section.

**HB 2708**, by Committee on Judiciary: An act concerning controlled substances; unlawfully arranging drug sales or purchases using a communication facility; penalties.

**HB 2709**, by Committee on Judiciary: An act concerning the purchase or consumption of liquor by a minor; increasing the penalties on the first and subsequent convictions; amending K.S.A. 1987 Supp. 41-727 and repealing the existing section.

**HB 2710**, by Committee on Judiciary: An act concerning controlled substances; unlawful acts; penalties; amending K.S.A. 65-4127a and K.S.A. 1987 Supp. 65-4127b and repealing the existing sections.

**HB 2711**, by Representatives Schauf and Baker: An act relating to motor vehicles; prohibiting exhibition of acceleration; defining; amending K.S.A. 1987 Supp. 8-1565 and 8-2118 and repealing the existing sections.

**HB 2712**, by Committee on Education (by request): An act concerning professional negotiation between boards of education and professional employees thereof; specifying the times during which petitions questioning recognition of professional employees' organization may be filed and elections on the question may be conducted; amending K.S.A. 72-5417 and 72-5418, and repealing the existing sections.

**HB 2713**, by Committee on Education (by request): An act relating to compulsory attendance of children at school; providing for certain exemptions; imposing conditions; amending K.S.A. 72-1111 and 72-53,100 and K.S.A. 1987 Supp. 72-53,101 and 72-53,102, and repealing the existing sections.

## Senate Bills

**SB 497**, by Committee on Agriculture: An act concerning agriculture; relating to production contracts; amending K.S.A. 1987 Supp. 17-5904 and repealing the existing section.

**SB 498**, by Committee on Financial Institutions and Insurance: An act relating to banks and banking; concerning stock transfers, payment of earnings on stock and reports of certain transfers; amending K.S.A. 9-903 and repealing the existing section.

**SB 499**, by Committee on Elections: An act concerning elections; relating to the preservation of ballots and election records; amending K.S.A. 25-2708 and repealing the existing section.

**SB 500**, by Committee on Elections: An act concerning elections; relating to voter registration; amending K.S.A. 25-2309c and repealing the existing section.

**SB 501**, by Committee on Elections: An act concerning elections; amending K.S.A. 25-205, 25-303, 25-305, 25-3304, 25-3306, 25-4310 and 25-4320 and repealing the existing sections.

**SB 502**, by Senators Montgomery and Gordon: An act concerning the grain inspection department; relating to the registration of warehouse receipts; amending K.S.A. 34-248a and repealing the existing section.

**SB 503**, by Committee on Transportation and Utilities: An act relating to electric cooperatives; concerning organization thereof; amending K.S.A. 17-4608, 17-4612, 17-4617, 17-4618, 17-4623 and 17-4624 and repealing the existing sections.

**SB 504**, by Committee on Energy and Natural Resources: An act relating to municipal energy agencies; concerning the organizational structure thereof; amending K.S.A. 12-885, 12-886, 12-891, 12-894, 12-895, 12-897, 12-8,108 and 12-8,109 and K.S.A. 1987 Supp. 75-6102 and repealing the existing sections.

**SB 505**, by Senators Morris and Vidricksen: An act relating to motor vehicles; prohibiting certain speeding violations from being considered by insurance companies; amending K.S.A. 1987 Supp. 8-1341a and repealing the existing section.

**SB 506**, by Committee on Financial Institutions and Insurance: An act relating to savings and loan associations; concerning guarantee stock; amending K.S.A. 17-5421 and repealing the existing section.

**SB 507**, by Committee on Financial Institutions and Insurance: An act amending the uniform consumer credit code; concerning charges and fees allowable on certain consumer credit transactions; amending K.S.A. 16a-2-502 and K.S.A. 1987 Supp. 16a-2-201, 16a-2-401 and 16a-2-501 and repealing the existing sections.

**SB 508**, by Committee on Agriculture: An act relating to agriculture; concerning injunctions and civil suits against misuse of agricultural chemicals; providing for the payment of costs and expenses; amending K.S.A. 2-3203 and repealing the existing section.

**SB 509**, by Committee on Agriculture: An act concerning the interstate compact on agricultural grain marketing; amending K.S.A. 2-3101 and repealing the existing section.

**SB 510**, by Committee on Local Government: An act concerning cities; relating to the destruction of certain records; amending K.S.A. 1987 Supp. 12-120 and repealing the existing section.

**SB 511**, by Committee on Local Government: An act concerning bonds; relating to the investment of proceeds of bonds and temporary notes; amending K.S.A. 1987 Supp. 10-131 and repealing the existing section.

**SB 512**, by Committee on Local Government: An act concerning cities; relating to industrial funds and taxes therefor; amending K.S.A. 12-1617h and 12-1617i and repealing the existing sections.

**SB 513**, by Committee on Local Government: An act concerning municipalities; relating to the temporary financing of public services or improvements in anticipation of state loans or grants.

**SB 514**, by Committee on Assessment and Taxation: An act relating to property taxation; exempting certain property used for religious purposes.

**SB 515**, by Committee on Federal and State Affairs: An act relating to animals; relating to sterilization of certain dogs and cats.

**SB 516**, by Senators Johnston, Anderson, Feleciano, Gaines, Hayden, Karr, Martin, Mulich, Norvell, Parrish, Steineger, Strick and Warren: An act concerning the state health care benefits program; relating to the imposition of certain charges and penalties; amending K.S.A. 75-6506 and repealing the existing section.

**SB 517**, by Senators Bogina, Bond, Langworthy, Reilly and Salisbury: An act concerning AIDS; requiring testing of persons convicted of certain crimes; providing for counseling for certain victims thereof.

**SB 518**, by Senators Hoferer, Anderson, Doyen, D. Kerr, Martin, Mulich, Reilly, Winter and Yost: An act concerning certain dogs; regulating dogs determined to be dangerous; prohibiting certain acts and providing penalties for violations.

**SB 519**, by Senator Doyen: An act concerning aggregate tax levy limitations; exempting certain mill levies made for library purposes; amending K.S.A. 1987 Supp. 79-5028 and repealing the existing section.

**SB 520**, by Senators Hoferer, Parrish, Reilly, Salisbury, Vidricksen, Werts and Yost: An act relating to income taxation; concerning the Kansas adjusted gross income of military retired persons; amending K.S.A. 1987 Supp. 79-32,117 and repealing the existing section; also repealing K.S.A. 79-32,111b.

**SB 521**, by Committee on Ways and Means: An act concerning state officers and employees; relating to salaries and compensation and providing for the payment of longevity pay.

**SB 522**, by Committee on Agriculture: An act concerning contracts to maintain stocks of outdoor power equipment by retailers.

**SB 523**, by Senator Winter: An act relating to motor vehicles; concerning the repair thereof; providing for certain penalties.

**SB 524**, by Committee on Economic Development: An act relating to certain employer-provided health care programs; concerning pharmacy services; prohibiting certain acts and providing violations to be misdemeanors.

**SB 525**, by Committee on Education: An act concerning school district finance; affecting the definition of federal impact aid; imposing limitations on budgets per pupil for the 1988-89 school year; amending K.S.A. 1987 Supp. 72-7042 and 72-7055, and repealing the existing sections.

**SB 526**, by Senators Johnston, Anderson, Daniels, Feleciano, Francisco, Gannon, Karr, Martin, Parrish, Steineger and Strick: An act establishing the citizens' utility ratepayer board.

**SB 527**, by Committee on Transportation and Utilities: An act relating to motor vehicles; concerning certain warranties; amending K.S.A. 1987 Supp. 50-645 and repealing the existing section.

**SB 528**, by Committee on Education: An act concerning professional negotiation between boards of education and professional employees thereof; relating to certain rights of boards of education; amending K.S.A. 1987 Supp. 72-5423 and repealing the existing section.

**SB 529**, by Committee on Agriculture: An act concerning land recreational areas; relating to invitees or permittees; liabilities; amending K.S.A. 58-3202, 58-3204 and 58-3206 and repealing the existing sections.

**SB 530**, by Senators Yost, Doyen and Francisco: An act concerning firearms; relating to regulation thereof.

**SB 531**, by Senator Yost: An act concerning county jails; relating to compensation for maintenance of prisoners; amending K.S.A. 1987 Supp. 19-1930 and repealing the existing section.

**SB 532**, by Committee on Judiciary: An act concerning the probate code; relating to qualifications of fiduciary; amending K.S.A. 59-1702 and repealing the existing section.

**SB 533**, by Committee on Judiciary: An act concerning corporations; relating to professional corporations; withdrawing or retiring shareholder; purchase price of stock thereof; amending K.S.A. 17-2714 and repealing the existing section.

**SB 534**, by Committee on Judiciary: An act concerning theft of electrical services; relating to unauthorized connections to electric wires and transmission lines; amending K.S.A. 17-1921 and repealing the existing section.

**SB 535**, by Committee on Judiciary: An act concerning credit agreements; relating to debtor's right to action thereon.

## House Resolutions

**HCR 5038**, by Representatives Knopp and Barkis: A concurrent resolution providing for a joint session of the Senate and House of Representatives for the purpose of commemorating Kansas Day and hearing an address by "John Brown of Osawatimie."

**HCR 5039**, by Representatives Knopp and Barkis: A concurrent resolution providing for a joint session of the Senate and House of Representatives for the purpose of hearing a message from United States Representative Pat Roberts.

**HCR 5040**, by Representatives Rosenau and Smith: A proposition to amend article 15 of the constitution of the state of Kansas by adding a new section thereto relating to limitations on cost and coverage of accident, sickness, medical and surgical insurance contracts.

**HCR 5041**, by Representative Hensley: A proposition to amend section 3c of article 15 of the constitution of the state of Kansas to authorize the legislature to provide for a lottery owned and operated by this state in cooperation with one or more other states.

**HR 6010**, by Representative Shallenburger: A resolution honoring Baxter Springs Little League Baseball and the 1987 Little League All Stars.

**HR 6011**, by Representatives Gross, Sader and Douville: A resolution aligning the members of the House with the cause of justice, compassion and humanity; calling upon the government of the Soviet Union to permit the free emigration of Soviet citizens who wish to emigrate; and demanding freedom for all people.

**HR 6012**, by Representative Patrick: A resolution congratulating and commending Thanks to Scandinavia, Inc., for its outstanding scholarship program and other good works.

**HR 6013**, by Representative Wagnon: A resolution proclaiming January 28, 1988, as "Reach For The Stars Day."

**HR 6014**, by Representative Harder: A resolution congratulating and commending Nickerson High School for winning the state level of the National Bicentennial Competition on the Constitution and Bill of Rights.

## Senate Resolutions

**SR 1803**, by Senator Gordon: A resolution amending 1987 Senate Resolution No. 1907, congratulating and commending the city of Bendena, Kansas.

**SR 1804**, by Senators Johnston, Anderson, Bogina, Bond, Burke, Daniels, Feleciano, Francisco, Gaines, Gannon, Hayden, Karr, Langworthy, Martin, Mulich, Norvell, Parrish, Steineger, Strick, Warren and Yost: A resolution aligning the members of the Senate with the cause of justice, compassion and humanity; calling upon the government of the Soviet Union to permit the free emigration of Soviet citizens who wish to emigrate; and demanding freedom for all people.

**SR 1805**, by Senator Hoferer: A resolution proclaiming January 28, 1988, as "Reach For The Stars Day."

Doc. No. 006178



## State of Kansas

**DEPARTMENT OF REVENUE  
DIVISION OF ALCOHOLIC  
BEVERAGE CONTROL**

**TEMPORARY ADMINISTRATIVE  
REGULATIONS**

**Article 4.—MANUFACTURERS; DISTRIBUTORS;  
NONBEVERAGE USERS**

**14-4-1.** (Authorized by K.S.A. 41-211; implementing K.S.A. 41-402; effective Jan. 1, 1966; amended Jan. 1, 1968; amended May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-4-2.** (Authorized by K.S.A. 41-211, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-3.** (Authorized by K.S.A. 41-211, 41-401, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-4.** (Authorized by K.S.A. 41-211, 41-601, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-5.** (Authorized by K.S.A. 41-211, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-6.** (Authorized by K.S.A. 41-211, 41-311, 41-316, 41-326, K.S.A. 1965 Supp. 41-210; implementing K.S.A. 41-311, 41-316 as amended by L. 1987, ch. 182, sec. 25; effective Jan. 1, 1966; amended T-89-22, July 1, 1987; revoked, T-89-2, Jan. 7, 1988.)

**14-4-7.** (Authorized by K.S.A. 41-210, 41-211; implementing 41-1112, 41-1118, 41-1119, 41-1120, 41-1121, 41-306, 41-1101, 41-1111, 41-1114, 41-1115, 41-1116, 41-1117; effective Jan. 1, 1966; amended, E-66-10, Aug. 8, 1966; amended Jan. 1, 1967; amended Jan. 1, 1974; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; amended May 1, 1983; amended, T-88-22, July 1, 1987; revoked, T-89-2, Jan. 7, 1988.)

**14-4-8.** (Authorized by K.S.A. 41-210, 41-1112, 41-1118, 41-1119, 41-1120, 41-1121, K.S.A. 1979 Supp. 41-211, 41-1101, 41-1111, 41-1114, 41-1115, 41-1116, 41-1117; effective Jan. 1, 1966; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; amended May 1, 1983; revoked, T-89-2, Jan. 7, 1988.)

**14-4-9.** (Authorized by K.S.A. 41-210, 41-211; implementing K.S.A. 41-308; effective Jan. 1, 1966; amended May 1, 1982; amended May 1, 1983; revoked, T-89-2, Jan. 7, 1988.)

**14-4-10.** (Authorized by K.S.A. 41-211 as amended by L. 1985, ch. 170, sec. 3; implementing K.S.A. 41-401; effective Jan. 1, 1966; amended May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-4-11.** (Authorized by K.S.A. 1985 Supp. 41-1118; implementing K.S.A. 1985 Supp. 41-1101, K.S.A. 41-1112; effective Jan. 1, 1966; amended, E-66-11,

Aug. 8, 1966; amended Jan. 1, 1967; amended Jan. 1, 1968; amended Jan. 1, 1971; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; amended, E-81-36, Dec. 10, 1980; modified, L. 1981, ch. 418, May 1, 1981; amended May 1, 1985; amended May 1, 1987; revoked, T-89-2, Jan. 7, 1988.)

**14-4-11a.** (Authorized by K.S.A. 41-210, 41-1112, 41-1118, 41-1119, K.S.A. 1980 Supp. 41-211, 41-1101; effective May 1, 1981; revoked, T-89-2, Jan. 7, 1988.)

**14-4-12.** (Authorized by K.S.A. 41-1118, 41-1119, K.S.A. 1979 Supp. 41-1101; effective Jan. 1, 1966; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; revoked, T-89-2, Jan. 7, 1988.)

**14-4-13.** (Authorized by K.S.A. 41-210, 41-211 as amended by L. 1985 ch. 170, sec. 3; implementing K.S.A. 41-402, 41-405, 41-408, 41-701, 41-709, 41-1101, 41-1111, 41-1117, 41-1118, 41-1119; effective Jan. 1, 1966; amended, E-66-12, Aug. 8, 1966; amended Jan. 1, 1967; amended Jan. 1, 1970; amended Jan. 1, 1971; amended Jan. 1, 1972; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; amended May 1, 1983; amended May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-4-14.** (Authorized by K.S.A. 41-211; implementing K.S.A. 41-402, 41-405, 41-408, 41-701, 41-708, 41-709, 41-712; effective Jan. 1, 1966; amended E-73-21, June 29, 1973; amended Jan. 1, 1974; amended Feb. 15, 1977; amended, E-79-31, Nov. 21, 1978; amended May 1, 1979; amended, E-80-28, Dec. 12, 1979; amended May 1, 1980; amended, E-81-26, Dec. 10, 1980; amended May 1, 1981; amended May 1, 1983; amended May 1, 1985; amended May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-4-15.** (Authorized by K.S.A. 41-211, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-16.** (Authorized by K.S.A. 41-210, 41-211, 41-702; effective Jan. 1, 1966; amended Jan. 1, 1974; amended May 1, 1975; revoked, T-89-2, Jan. 7, 1988.)

**14-4-18.** (Authorized by K.S.A. 41-211, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-19.** (Authorized by K.S.A. 41-211, 41-602, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-20.** (Authorized by K.S.A. 41-211, 41-602, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-21.** (Authorized by K.S.A. 41-211, 41-602, K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked, T-89-2, Jan. 7, 1988.)

**14-4-22.** (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10, 41-211; implementing K.S.A. 41-402, 41-403 as amended by L. 1987, ch. 182, sec. 35; effective Jan. 1, 1966; amended Jan. 1, 1969; amended Jan. 1, 1970; amended, T-88-22, July 1, 1987; revoked, T-89-2, Jan. 7, 1988.)

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**14-4-23.** (Authorized by K.S.A. 41-211, K.S.A. 1972 Supp. 41-210; effective Jan. 1, 1966; amended Jan. 1, 1973; revoked, T-89-2, Jan. 7, 1988.)

**14-4-25.** (Authorized by K.S.A. 41-210, 41-211; effective Jan. 1, 1974; amended Feb. 15, 1977; revoked, T-89-2, Jan. 7, 1988.)

**14-4-26.** (Authorized by K.S.A. 41-210, K.S.A. 1979 Supp. 41-211, 41-410; effective, E-80-28, Dec. 12, 1979; effective May 1, 1980; revoked, T-89-2, Jan. 7, 1988.)

**14-4-27.** (Authorized by K.S.A. 41-211, as amended by L. 1985, ch. 170, sec. 3; implementing K.S.A. 41-714; effective May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-4-28.** (Authorized by K.S.A. 41-211, as amended by L. 1985, ch. 170, sec. 3; implementing K.S.A. 41-306, 41-408, 41-507, 41-709, 41-801; effective May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

#### Article 10.—TRADE PRACTICES

**14-10-1.** (Authorized by K.S.A. 41-211; implementing K.S.A. 41-211, 41-703, 41-714; effective, E-80-28, Dec. 12, 1979; effective May 1, 1980; amended May 1, 1985; amended May 1, 1986; revoked, T-89-2, Jan. 7, 1988.)

**14-10-2.** (Authorized by K.S.A. 41-210, 41-703, 41-714, K.S.A. 1979 Supp. 41-211; effective, E-80-28, Dec. 12, 1979; effective May 1, 1980; revoked, T-89-2, Jan. 7, 1988.)

**14-10-3.** (Authorized by K.S.A. 41-210, 41-703, 41-714, K.S.A. 1980 Supp. 41-211; effective, E-80-28, Dec. 12, 1979; effective May 1, 1980; amended, E-81-36, Dec. 10, 1980; amended May 1, 1981; revoked, T-89-2, Jan. 7, 1988.)

**14-10-4.** (Authorized by K.S.A. 41-210, 41-703, 41-714, K.S.A. 1980 Supp. 41-211; effective, E-81-36, Dec. 10, 1980; effective May 1, 1981; revoked, T-89-2, Jan. 7, 1988.)

**14-10-5. Definitions.** As used in this article of these regulations, unless the context clearly requires otherwise, the following words and phrases shall have the meanings ascribed to them in this regulation:

(a) "Caterer" means a person licensed pursuant to Article 22 of these regulations.

(b) "Club" means the premises or person licensed pursuant to Articles 19 or 20 of these regulations.

(c) "Director" means the director of the division of alcoholic beverage control of the department of revenue.

(d) "Distributor" means those persons licensed by the director, pursuant to K.S.A. 41-306 as amended by L. 1987, ch. 182, sec. 14; 41-307 as amended by L. 1987, ch. 182, sec. 17; L. 1987, ch. 182, sec. 15; and 41-2713 et seq., to sell or offer for sale alcoholic liquor, spirits, wine, beer or cereal malt beverage to any person authorized by law to sell alcoholic liquor, spirits, wine, beer or cereal malt beverage at retail.

(e) "Drinking establishment" means the premises

or person licensed pursuant to Article 21 of these regulations.

(f) "Industry member" means any distributor, manufacturer or supplier, or any agent, salesperson or representative thereof.

(g) "Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler, person or other entity who fills or refills an original package or is engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquor, beer or cereal malt beverage. A "manufacturer" shall also mean:

(1) A corporate subsidiary of any manufacturer which markets alcoholic liquor through a subsidiary; and

(2) an American distributor of alcoholic liquor manufactured, produced or bottled in a foreign country. A "manufacturer" shall not include a farm winery or a microbrewery.

(h) "Person" means any natural person, corporation, association or partnership.

(i) "Retailer" means a person licensed by the director to sell at retail, or offer for sale at retail, alcoholic liquor for consumption off the licensed premises of the retailer.

(j) "Supplier" means a manufacturer of alcoholic liquor or cereal malt beverage or an agent of such manufacturer, other than a salesperson. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-6. General.** Subject to the exceptions provided in this article, industry members are prohibited from inducing the purchases of a retailer, club, drinking establishment or caterer by furnishing, giving, renting, lending or selling to the retailer, club, drinking establishment or caterer any equipment, fixtures, signs, supplies, money, services or any other things of value. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-7. Indirect inducement through third party arrangements.** The furnishing, giving, renting, lending or selling of equipment, fixtures, signs, supplies, money, services, or other things of value by an industry member to a third party, including a retailer association or a display company where the benefits resulting from the things of value flow to individual retailers, is the indirect furnishing of things of value within the meaning of this article. This section does not prohibit third parties from furnishing, giving, renting, lending, or selling equipment, fixtures, signs, supplies, money, services, or things of value to retailers, clubs, drinking establishments or caterers which industry members may lawfully provide to retailers, clubs, drinking establishments or caterers under the provisions of this article. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-8. Sale of equipment, supplies or services.**

(a) A transaction in which equipment is sold to a club, drinking establishment or caterer by an industry

member is the selling of equipment within the meaning of this article regardless of how sold. The negotiation by an industry member of a special price to a club, drinking establishment or caterer for equipment from an equipment company is prohibited.

(b) An industry member may sell glassware to a club, drinking establishment or caterer if the glassware is sold at a price not less than the cost to the industry member who initially purchased it, and if the price is collected upon the date of sale.

(c) Tapping accessories, such as standards, faucets, rods, vents, taps, tap standards, hoses, washers, couplings, gas gauges, vent tongues, shanks, and check valves, may be sold to a club, drinking establishment or caterer and installed in the those places of business if the tapping accessories are sold at a price not less than the cost to the industry member who initially purchased them, and if the price is collected within 30 days of the date of sale.

(d) Carbon dioxide gas or ice may be sold to a club, drinking establishment or caterer, if sold in accordance with the reasonable open market price in the locality where sold, and if the price is collected upon the date of sale.

(e) Coil cleaning service may be furnished, given or sold to a club, drinking establishment or caterer.

(f) Industry members may, at a retail establishment, stock, rotate and affix the price to distilled spirits, wine, or malt beverages which they sell, provided products purchased from other industry members are not altered or disturbed. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-9. Assistance in acquiring a license.** Any assistance, including financial, legal, administrative or influential, given the retailer, club, drinking establishment or caterer by an industry member in acquiring a license issued by the director is prohibited. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-10. Advertising signs, cooperative advertising, trade journals.** (a) The furnishing of outside signs to retailers, clubs, drinking establishments or caterers by an industry member is prohibited.

(b) The placement by an industry member of a "billboard" or "spectacular" sign, advertising distilled spirits, wine, or malt beverages, on the wall or roof of a building adjacent to or occupied by a retailer, club, drinking establishment, or caterer is prohibited.

(c) Industry members are prohibited from inducing the purchases of a retailer, club, drinking establishment or caterer by paying or crediting the retailer, club, drinking establishment or caterer for any advertising, display or distribution service, whether or not the advertising, display or distribution service received is commensurate with the amount paid by the retailer, club, drinking establishment, or caterer.

(d) An arrangement in which an industry member participates with a retailer, club, drinking establishment or caterer in paying for an advertisement placed

by the retailer, club, drinking establishment or caterer constitutes paying the retailer, club, drinking establishment or caterer for advertising.

(e) The purchase by an industry member, of advertising on signs, scoreboards, programs, scorecards, and the like at ballparks, racetracks or stadiums, from the retail concessionaire constitutes paying the retailer, club, drinking establishment or caterer for an advertising service.

(f) The purchase, by an industry member, of advertising in a retailer, club, drinking establishment or caterer publication for distribution to consumers or the general public constitutes paying the retailer, club, drinking establishment or caterer for advertising.

(g) Industry member reimbursements to retailers, clubs, drinking establishments or caterers for setting up product or other displays constitutes paying the retailer, club, drinking establishment or caterer for rendering a display service.

(h) A promotion whereby an industry member rents display space at a retail establishment constitutes paying the retailer, club, drinking establishment, or caterer for rendering a display service.

(i) Industry members may furnish inside signs to retailers, clubs, drinking establishments and caterers under the following limitations:

(1) The inside sign shall have no secondary value and be of value only as advertising to the retailer, club, drinking establishment or caterer.

(2) The inside sign shall be used only in the interior portions of the retail establishment.

(3) The industry member may not directly or indirectly pay or credit the retailer, club, drinking establishment or caterer for displaying the inside sign or for any expense incidental to its operation.

(j) Consumer advertising specialties, including ash trays, bottle or can openers, cork screws, shopping bags, matches, printed recipes, pamphlets, cards, leaflets, blotters, post cards, and pencils, which bear advertising matter may be furnished, given or sold to a retailer, club, drinking establishment or caterer for unconditional distribution by the retailer, club, drinking establishment or caterer to the general public. The retailer, club, drinking establishment or caterer shall not be paid or credited in any manner directly or indirectly for this distribution service.

(k) Any industry member may furnish, give, rent, loan, or sell wine lists or wine menus to clubs, drinking establishments or caterers.

(l) Newspaper cuts, mats, or engraved blocks for use in retailers', clubs', drinking establishments' or caterers' advertisements may be furnished, given, rented, loaned, or sold by an industry member to a retailer, club, drinking establishment or caterer selling the industry members' products. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-11. Item intended for consumers and promotions.** (a) The furnishing of things of value such as trading stamps, coupons, nonalcoholic mixers, pouring

(continued)

racks, and the like to retailers, clubs, drinking establishments, or caterers is prohibited.

(b) Contest prizes, premium offers, refunds, and like items may be offered by industry members directly to consumers. Retailers, clubs, drinking establishments or caterers shall not seek reimbursement from any industry member for any consumer promotion. Retailers, clubs, drinking establishments or caterers may distribute coupons and other consumer premiums to consumers for redemption by the industry member. The retailer, club, drinking establishment or caterer shall not accept or receive any payment or credit for this distribution service. Officers, employees and representatives of distributors or retailers, clubs, drinking establishments or caterers are excluded from participation. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-12. Recordkeeping requirements.** All records, including all items furnished to retailers, clubs, drinking establishments or caterers described in this article, of each industry member shall be maintained for three years on the permit premises and shall be available for inspection by the director or any agent or employee of the director or secretary upon request. Commercial records or invoices may be used to satisfy this recordkeeping provision if all required information is shown. These records shall show:

- (a) The name and address of the retailer, club, drinking establishment or caterer receiving the item;
- (b) the date furnished;
- (c) the item furnished;
- (d) the industry member's cost of the item furnished as determined by the manufacturer's invoice price; and
- (e) charges to the retailer, club, drinking establishment and caterer for any item. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-13. Product displays.** (a) An industry member may furnish, give, rent, loan, or sell product displays to a retailer, club, drinking establishment or caterer, subject to the limitations prescribed in subsection (c), below.

(b) Product display means any wine racks, bins, barrels, casks, shelving, and the like from which distilled spirits, wine, or malt beverages are displayed and sold.

(c) Providing any product display shall be limited to:

(1) The total value of all product displays furnished by an industry member under subsection (a), above, and shall not exceed \$127 per brand in use at any time in any one retail establishment. The value of a product display shall be the actual cost to the industry member who initially purchased it. Transportation and installation costs shall be excluded.

(2) Industry members shall not pool or combine their dollar limitations to provide a retailer a product display valued in excess of \$127 per brand.

(3) Product displays shall bear conspicuous and

substantial advertising matter. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-14. Retailer advertising specialties.** (a) Any industry member may furnish, give, rent, loan, or sell retailer advertising specialties to a retailer, club, drinking establishment or caterer if these items bear advertising matter and are primarily valuable to the retailer, club, drinking establishment or caterer as point of sale advertising. These items include trays, coasters, mats, thermometers, clocks and calendars. Any industry member may add the name or name and address of the retailer, club, drinking establishment or caterer to the retailer, club, drinking establishment or caterer advertising specialty.

(b) Providing any advertising specialty shall be limited to:

(1) The total value of all retailer, club, drinking establishment or caterer advertising specialties furnished by an industry member to a retailer, club, drinking establishment or caterer shall not exceed \$62 per brand in any one calendar year per retail establishment. The value of a retailer, club, drinking establishment or caterer advertising specialty shall be the actual cost of that item to the industry member who initially purchased it. Transportation and installation costs shall be excluded.

(2) Industry members shall not pool or combine their dollar limitations to provide a retailer, club, drinking establishment or caterer with retailer advertising specialties valued in excess of \$62 per brand. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-15. Participation in retailer association activities.** An industry member may participate in retailer, club, drinking establishment or caterer association activities. An industry member may:

(a) Display its products at a convention or trade show;

(b) rent display booth space if the rental fee is not excessive and is the same as paid by all exhibitors;

(c) provide its own hospitality which is independent from association sponsored activities;

(d) purchase tickets to functions and pay registration fees if the payments or fees are not excessive and are the same as paid by all exhibitors; and

(e) make payments for advertisements in programs or brochures issued by retailer, club, drinking establishment or caterer associations at a convention or trade show if the total payments made by an industry member for all such advertisements do not exceed \$127 per year for any retailer association. (Authorized by and implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; effective, T-89-2, Jan. 7, 1988.)

**14-10-16. Defective liquor containers; repurchase by distributor; when allowed.** (a) Liquor containers, except beer containers, that leak, contain foreign matter in the bottle, are short-filled, have broken federal seals, have badly soiled or stained labels, or are not otherwise fit for resale to the general public, shall not

be knowingly sold by distributors. Suppliers' representatives shall not arrange to have retailers accept such merchandise.

(b) Any distributor may:

(1) Buy back any item of alcoholic liquor or cereal malt beverage when required by the supplier;

(2) buy back any item alcoholic liquor or cereal malt beverage from a club, drinking establishment, caterer or retailer that has obtained the approval of the director to close out; and

(3) buy back or exchange any item of alcoholic liquor or cereal malt beverage which is damaged, as described in subsection (a), above.

(c) Any alcoholic liquor or cereal malt beverage that is damaged as described in subsection (a), above shall not be knowingly sold by suppliers to distributors and any such damaged merchandise sold by a supplier to a distributor shall be retrieved by the supplier and exchanged for merchandise fit for sale or the supplier may authorize its destruction and refund to the distributor the purchase price thereof.

(d) The return of exchange of a product because it is overstocked or slow-moving is prohibited.

(e) The return or exchange of products for which there is only a limited or seasonal demand, such as holiday decanters and certain distinctive bottles, is prohibited. (Authorized by K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48; implementing K.S.A. 41-703 as amended by L. 1987, ch. 182, sec. 48, L. 1987, ch. 182, sec. 136; effective, T-89-2, Jan. 7, 1988.)

#### Article 14.—MANUFACTURERS; DISTRIBUTORS; NONBEVERAGE USERS; FARM WINERIES; MICROBREWERIES

**14-14-1. Definitions.** As used in this article of these regulations, unless the context clearly requires otherwise, the following words and phrases shall have the meanings ascribed to them in this regulation:

(a) "Alcoholic liquor" means alcohol, spirits, wine, beer and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by a human being. Alcoholic liquor shall not include any cereal malt beverage.

(b) "Beer" means a beverage, containing more than 3.2% alcohol by weight, obtained by alcoholic fermentation of an infusion or concoction of barley or other grain, malt and hops in water. The term beer includes beer, ale, stout, lager beer, porter and similar beverages having such alcoholic content.

(c) "Beer distributor" means any person licensed pursuant to K.S.A. 41-307 as amended by L. 1987, ch. 82, sec. 17, to sell or offer for sale beer or cereal malt beverage to any person authorized by law to sell beer or cereal malt beverage at retail.

(d) "Beneficial interest" means any ownership interest by a person or that person's spouse in a business, corporation, partnership, business trust, association or other form of business organization which exceeds 5% of the outstanding shares of that corporation or a similar holding in any other form of business organization.

(e) "Bulk Wine" means wine that is sold to a club either by a retailer or a distributor in barrels, casks or bulk containers which individually exceed 20 liters.

(f) "Caterer" means a person licensed pursuant to Article 22 of these regulations.

(g) "Cereal malt beverage" means any fermented but undistilled liquor brewed or made from malt or from a mixture of malt or malt substitute, but does not include any liquor which is more than 3.2% alcohol by weight.

(h) "Church" means a building owned or leased by a religious organization and used exclusively as a place for religious worship and other activities ordinarily conducted by a religious organization.

(i) "Club" means the premises or person licensed pursuant to Articles 19 or 20 of these regulations.

(j) "Director" means the director of the division of alcoholic beverage control of the department of revenue.

(k) "Distributor" means any person licensed by the director as a "beer distributor," "spirits distributor" or "wine distributor."

(l) "Drinking establishment" means the premises or person licensed pursuant to Article 21 of these regulations.

(m) "Licensed premises" means those areas described in an application for a license which are under the control of the applicant and in which the applicant will conduct the licensed business.

(n) "Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler, person or other entity who fills or refills an original package or is engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquor, beer or cereal malt beverage. A "manufacturer" shall also mean:

(1) A corporate subsidiary of any manufacturer which markets alcoholic liquor through a subsidiary; and

(2) an American distributor of alcoholic liquor manufactured, produced or bottled in a foreign country. A "manufacturer" shall not include a farm winery or a microbrewery.

(o) "Morals charge" means a charge made in an indictment, information or a complaint alleging crimes which involve:

- (1) Prostitution;
- (2) procuring any person;
- (3) soliciting of a child under 18 years of age for any immoral act involving sex;
- (4) possession or sale of narcotics, marijuana, amphetamines or barbiturates;
- (5) rape;
- (6) incest;
- (7) gambling;
- (8) illegal cohabitation;
- (9) adultery;
- (10) bigamy; or
- (11) a crime against nature.

(p) "Person" means any natural person, corporation, association or partnership.

(continued)

(q) "Retailer" means a person licensed by the director to sell at retail, or offer for sale at retail, alcoholic liquor for consumption off the licensed premises of the retailer.

(r) "Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substances in solution. The term "spirits" includes brandy, rum, whiskey, gin or other spirituous liquors, and liquors when rectified, blended or otherwise mixed with alcohol or other substances.

(s) "Spirits distributor" means any person licensed pursuant to K.S.A. 41-306 as amended by L. 1987, ch. 182, sec. 14, for sale or offer to sell spirits to any person authorized by law to sell spirits at retail.

(t) "Supplier" means a manufacturer of alcoholic liquor or cereal malt beverage or an agent of a manufacturer, other than a salesperson.

(u) "Wine" means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits, berries or other agricultural products, including beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies.

(v) "Wine distributor" means any person licensed pursuant to L. 1987, ch. 182, sec. 15 to sell or offer for sale wine to any person authorized by law to sell wine at retail. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-102 as amended by L. 1987, ch. 182, sec. 1; effective, T-89-2, Jan. 7, 1988.)

**14-14-2. Application for manufacturer's, distributor's, nonbeverage user's, farm winery's and microbrewery's license; contents, conditions and restrictions on issuance of license.** (a) An annual license shall be issued to each applicant determined by the director to have satisfied the requirements of the liquor control act and this article of these regulations.

(b) Each application for a license shall be made upon forms prepared by the director and shall contain all information the director deems necessary. Any application which does not contain the required information may be returned to the applicant without the application being considered on its merits.

(c) Each applicant shall provide a description of the licensed premises. The description shall state the location of the licensed premises, the approximate dimensions of the licensed premises and enough detail to identify the licensed premises. Each application for a distributor's license shall include a description of any warehouse situated on and constituting a part of the licensed premises.

(1) Subject to the prior approval of the director, the distributor's licensed premises may include:

(A) More than one structure provided that no more than 400 meters separates any two structures sought to be licensed by the distributor; or

(B) a temporary storage area used exclusively for storage of alcoholic liquor by the distributor which may be more than 100 meters from any other part of the licensed premises.

(2) The licensed premises shall not include:

(A) An inside entrance or opening which connects

directly with any other place of business or with a residence; or

(B) any premises which is located within 200 feet of any public or parochial school, college or church, unless the premises were licensed at the time the school, college or church was established.

(d) For the purpose of determining qualification for a license under this regulation, any person who leases premises to any licensee upon terms which result in the lessor having a beneficial interest in the licensee's business, shall be deemed to be a partner in the licensee's business. A lessor shall be deemed to have a beneficial interest in a licensee's business if the lessor receives as rent, in whole or in part, a percentage of the licensee's gross receipts or profits from the sale of alcoholic liquor. Percentage rent provisions that exclude alcoholic liquor sales shall be subject to review and approval by the director. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-211, 41-311 as amended by L. 1987, ch. 182, sec. 22, 41-316 as amended by L. 1987, ch. 182, sec. 25, 41-317 as amended by L. 1987, ch. 182, sec. 26, 41-401 as amended by L. 1987, ch. 182, sec. 33, 41-402 as amended by L. 1987, ch. 182, sec. 34, 41-710 as amended by L. 1987, ch. 182, sec. 50, 41-711; effective, T-89-2, Jan. 7, 1988.)

**14-14-3. Application for renewal of license, short method.** (a) Any licensee making application for the renewal of an existing license may file a certified statement that the information contained in the licensee's most recent complete application has not changed except for those items specifically identified by the licensee as having changed. In addition to this certified statement, the licensee shall provide the following items with each renewal application:

(1) A certified statement that the renewal applicant is still qualified to obtain a license under the requirements of K.A.R. 14-14-2;

(2) the registration fee in the form of a certified check, cashier's check, money order or cash. Personal or business checks shall not be accepted;

(3) the license fee in the form of a certified check, cashier's check, money order or cash. Personal or business checks shall not be accepted; and

(4) The bond or bonds required of the licensee by the liquor control act.

(b) Notwithstanding the provisions of subsection (a), each licensee shall file a new and complete application, as required by K.A.R. 14-14-2, at least every five years. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-211, 41-316 as amended by L. 1987, ch. 182, sec. 25, 41-317 as amended by L. 1987, ch. 182, sec. 26, 41-327; effective, T-89-2, Jan. 7, 1988.)

**14-14-4. Corporate licensees, change of ownership updating application, certification that new owner qualified.** (a) Each transfer of the stock of a corporation holding a manufacturer's license which results in any person holding 25 percent of the outstanding stock of the corporation shall be reported to the director. Within 20 days of the transfer of stock to that person, the corporation shall file with the director:



(1) A supplement to its current application reflecting the change; and

(2) a sworn statement that the person obtaining 25 percent or more of the outstanding shares is qualified under the liquor control act to hold a manufacturer's license.

(b) Each transfer of the stock of a corporation holding a distributor's license which results in any person obtaining a beneficial interest in the corporation shall be reported to the director. Within 20 days of the transfer of stock to that person, the corporation shall file with the director:

(1) A supplement to its current application reflecting the change in ownership; and

(2) a sworn statement that the person obtaining the beneficial interest in the corporation is:

(A) Qualified under the liquor control act to hold a distributor's license; or

(B) not qualified under the liquor control act to hold a distributor's license but meets the requirements of K.S.A. 41-311(d)(1)(A) or (B) as amended by L. 1987, ch. 182, sec. 22.

(c) Each corporation holding a manufacturer's, distributor's, farm winery's, microbrewery's or nonbeverage user's license shall keep a register of all stockholders, which shall be open for inspection by the director, the director's agents or employees at all reasonable business hours. The register shall contain the following information applicable to each stockholder.

(1) Name;

(2) current address;

(3) amount of stock owned;

(4) the amount which may be voted by power of attorney or proxy;

(5) the date of acquisition of any stock; or

(6) the execution or revocation of any power of attorney or proxy.

(d) The records of every corporation holding a manufacturer's, distributor's, farm winery's, microbrewery's or nonbeverage user's license shall reflect the election of all directors and the appointment of all officers of the corporation. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-311 as amended by L. 1987, ch. 182, sec. 22; effective, T-89-2, Jan. 7, 1988.)

**14-14-5. Franchises.** (a) Definitions. As used in this regulation, the following terms shall have the meanings ascribed to them:

(1) "Sale or distribution" includes the act of leasing, renting or consigning.

(2) "Goods" means any personal property, real property, or any combination thereof.

(3) "Other property" means a franchise, license distributorship or other similar right, privilege or interest.

(4) "Franchise" means a written arrangement for a definite or indefinite period in which a supplier grants to a distributor a license to use a trade name, trademark, service mark, or related characteristic, and in which there is a community of interest in the marketing of goods or services at wholesale, retail, by lease, agreement or otherwise, including but not limited to a

commercial relationship of definite duration. The arrangement grants the distributor the right to offer, sell and distribute within this state or any designated area, the supplier's brands of alcoholic liquors or cereal malt beverages, or all of them as may be specified.

(b) Franchise discrimination is prohibited.

(1) If more than one franchise for the same brand or brands of alcoholic liquors is granted to different distributors in this state, it shall be a violation of this regulation for any supplier to discriminate in regard to price or availability of alcoholic liquors between distributors.

(2) A supplier shall not encourage, solicit, cause or conspire with a distributor to circumvent any laws or regulations of the state of Kansas relating to intoxicating liquor. A supplier shall not directly or indirectly threaten to remove or remove a line or brand from a distributor because of the refusal or failure of the distributor to evade or disobey any laws or regulations of the state of Kansas relating to intoxicating liquor. A supplier shall not, directly or indirectly, threaten to change distributors in retaliation against a distributor who refuses to circumvent any laws or regulations of the state of Kansas relating to intoxicating liquor.

(c) All ownership interest in a distributor's business shall be disclosed to the director;

(1) No person shall have, own or enjoy any ownership interest in, share in the profits from or otherwise participate in the business of any distributor in Kansas unless a full description of such interest shall have been furnished the director at the time such interest arose. It shall be the duty of the distributor to report to the director within 20 days, any change in any interest in the distributor's business including but not limited to:

(A) Any division of the profits;

(B) any division of net or gross sales for any purpose whatsoever;

(C) any change in the payment of rents;

(D) any change in the ownership of any lease or building;

(E) any change in the ownership of any corporation that has any interest in such business or the change of management of such corporation; or

(F) any loss or damage to goods which results in a claim against an insurance policy.

(2) When there is common ownership or financial interest, either directly or indirectly, in wholesale licensed businesses, all such businesses shall be deemed a controlled ownership group.

(3) The statement of disclosure required by this section shall be on a form provided by the director, shall be under oath and verified and shall be an amendment to the licensee's permanent license application on file with the director.

(4) All licenses issued by the director shall be valid as long as the licensee is actively engaged in business. In the event the licensee ceases to be actively engaged in business, the license shall be invalid and the licensee shall immediately notify the director and return the license.

(continued)



(d) The supplier and distributor shall each file a summary of any franchise agreement with the director. The summary shall contain:

(1) A statement that an agreement has been entered into identifying each party by name, address and license number;

(2) a statement of each geographic territory agreed upon between the distributor and supplier for which the distributor is to sell to retailers one or more brands of the supplier's alcoholic liquors or cereal malt beverages;

(3) a map outlining each geographical territory agreed to; and

(4) a statement of all brands to be covered by the agreement.

(e) No manufacturer, vintner, importer, or other supplier shall grant a franchise for the distribution of a brand to more than one distributor for all or part of any designated territory. For purposes of identification and recognition, multiple franchises issued to one or more persons or two or more corporations where there exists an interlocking directorate or the same individuals are officers or stockholders, shall be considered one franchise.

(f) All spirits distributor's franchise agreements shall describe the franchise territory by naming each county unit encompassed. A territory shall not be smaller than a single county, but may encompass as few as one or as many as all 105 counties. Agreements for distribution throughout the entire state shall not name each county by name.

(g) All wine and beer distributors' franchise agreements shall describe the franchise territory using readily identifiable geographic boundaries.

(h) The terms, conditions and requirements of this regulation are expressly made a part of the terms of each authority to do business in Kansas granted by the director to suppliers, distillers, manufacturers, importers, producers, shippers, or brokers. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-409 as amended by L. 1987, ch. 182, sec. 38, 41-410 as amended by L. 1987, ch. 182, sec. 40, L. 1987, ch. 182, sec. 15, 41-1101 as amended by L. 1987, ch. 182, sec. 59; effective, T-89-2, Jan. 7, 1988.)

**14-14-6. Industry seminars.** (a) Manufacturers and distributors may be authorized by the director to hold seminars for other licensees and their employees. Authorization shall be requested no less than seven days prior to the event.

(b) Each request shall include the following information:

(1) The date of the seminar;

(2) the time of the seminar;

(3) the exact location where the seminar will be held;

(4) a statement that any franchised-posted alcoholic liquor served will be purchased from a Kansas retail liquor store or the drinking establishment on which the seminar is conducted;

(5) a statement that the seminar is being conducted

solely for product information and marketing purposes; and

(6) a statement that any alcoholic liquor samples offered will be consumed on the premises and in accordance with provisions of Kansas law. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-714 as amended by L. 1987, ch. 182, sec. 51; effective, T-89-2, Jan. 7, 1988.)

**14-14-7. Sales and transfers of alcoholic liquor by distributors authorized, export permits.** (a) A distributor may sell any alcoholic liquor pursuant to the issued license to:

(1) A distributor;

(2) a retailer; or

(3) a military installation;

(b) A distributor may sell bulk wine to a:

(1) Club;

(2) drinking establishment; or

(3) caterer.

(c) A distributor may transfer any alcoholic liquor to another of the distributor's licensed premises. Transfers of alcoholic liquor between a distributor's licensed premises shall be evidenced by proper withdrawal and receiving tickets which shall be subject to inspection by the director.

(d)(1) Export permits may be issued by the director for the shipping of merchandise back to manufacturers when:

(A) Non-posted items are shipped into Kansas in error;

(B) merchandise in inventory is unsaleable and the supplier wants the merchandise returned rather than destroyed;

(C) the distributor does not wish to retain excess merchandise received in error; or

(D) when issuing such a permit is deemed appropriate by the director.

(2) Requests to return merchandise shall be submitted to the director on forms prescribed by the director. Each request shall include:

(A) The total number of containers or cases in the shipment;

(B) the name, address and license number of the distributor;

(C) the justification for issuing a permit; and

(D) the name, address and license number of the supplier.

(3) In the event that a distributor has received non-posted merchandise, a request for an export permit shall be submitted within five days of receipt of the merchandise.

(4) At the time of an export shipment, the distributor shall forward to the director:

(A) A copy of the invoice signed by the distributor's agent;

(B) a copy of the bill of lading signed by the carrier's agent; and

(C) an affidavit of proof of claim for credit for a refund on the gallonage tax.

(5) An export permit shall not be issued, or alcoholic liquor consigned, to any person or corporation in another state who is not authorized by that state to

receive alcoholic liquor. All shipments shall be made by carrier, common carrier or private carrier. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-211, 41-306 as amended by L. 1987, ch. 182, sec. 14, L. 1987, ch. 182, sec. 15, 41-307 as amended by L. 1987, ch. 182, sec. 17, 41-408 as amended by L. 1987, ch. 182, sec. 36, 41-701 as amended by L. 1987, ch. 182, sec. 46, 41-709 as amended by L. 1987, ch. 182, sec. 49, 41-801; effective, T-89-2, Jan. 7, 1988.)

**14-14-8. Distributor's records required, reports required, filing of affidavits.** (a) Each distributor, before selling or offering to sell any alcoholic liquor to any licensed retailer, club, drinking establishment, or caterer, shall file with the director a written statement sworn to under oath by the distributor, or in case of a corporation, one of its principal officers, in which the distributor shall agree:

(1) It will sell any of the brands or kinds of alcoholic liquor for which it possesses a franchise to any retailer in the geographical territory serviced under the terms of said franchise without discrimination;

(2) that all such sales will be made to all retailers in the territory at the same current price; and

(3) for all spirits and wines sold in the state, to file a price list of current prices offered to all retailers, clubs, drinking establishments or caterers with the director.

(b) The price listing required by paragraph (3), above, shall be filed at least every three months and shall include:

(1) The cash price for spirits and wine, that are sold by the case or the bottle;

(2) the origin of the shipments;

(3) the price per case or bottle for each size of original packages of each particular brand or kind of spirits or wine; and

(4) any other information the director may require.

(c) Each distributor accepting shipment of alcoholic liquor into the state of Kansas shall furnish the director an invoice, or other commercial document or form approved by the director covering each consignment of liquor received by the distributor. The invoice document or form shall be mailed at the time shipment is received at the distributor's licensed premises.

(d) Each distributor shall provide the director, between the 1st and 15th day of each calendar month, a return under oath of all alcoholic liquor bought and sold during the preceding calendar month. Such report shall state:

(1) The total amount of liquor purchased;

(2) the names and addresses of the suppliers or distributors from which the alcoholic liquor was purchased;

(3) the quantity of each brand of alcoholic liquor purchased;

(4) the price paid for each brand of alcoholic liquor purchased;

(5) the name and address of each retailer, club, drinking establishment or caterer to which alcoholic liquor was sold;

(6) the quantity of each brand of alcoholic liquor sold; and

(7) the price charged for each brand of alcoholic liquor sold.

(e) Each distributor shall keep upon the licensed premises records of all alcoholic liquor bought and sold, all receipts, all expenditures, all invoices and all sales tickets. All records of each distributor shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-409 as amended by L. 1987, ch. 182, sec. 38, 41-601 as amended by L. 1987, ch. 182, sec. 43, 41-602 as amended by L. 1987, ch. 182, sec. 44, 41-1101 as amended by L. 1987, ch. 182, sec. 59; effective, T-89-2, Jan. 7, 1988.)

**14-14-9. Nonbeverage user licensees records required.** Each nonbeverage user shall keep records of all alcoholic liquor purchased by the nonbeverage user's business. The records shall contain the name, address and license number of the licensee from whom it purchased any alcoholic liquor and any other information the director may require. All records of each nonbeverage user shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-211; effective, T-89-2, Jan. 7, 1988.)

**14-14-10. Manufacturer's records required, reports required, filing of affidavits.** (a) Each supplier shipping alcoholic liquor into the state of Kansas shall furnish the director with an invoice, or other commercial document or form approved by the director, covering each consignment of alcoholic liquor made into this state. The invoice document or form shall be mailed at the time the shipment leaves the manufacturer's warehouse. The invoice, copy of the commercial document or form shall also be mailed to the consignee at the time of shipment.

(b) Each supplier of alcoholic liquor shall keep records of all alcoholic liquor or wine sold by the licensee to a nonbeverage user. The records shall show the quantities of alcoholic liquor and wine sold to any nonbeverage user, the name, address, and license number of the nonbeverage user and any other information the director may require. All records of each supplier shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request.

(c) Each supplier, before selling or offering to sell any alcoholic liquor to a distributor, shall file with the director a written statement sworn to under oath by the supplier, or in the case of a corporation, by one of its principal officers. In the statement, the supplier shall agree:

(1) To sell any of the brands or kinds of alcoholic liquor manufactured or distributed by it to each dis-

(continued)

tributor with which it has a franchise without discrimination;

(2) that all sales will be made to each distributor in this state with which it has a franchise at the same current price; and

(3) for all spirits and wines sold in the state, to file with the director the current price list offered to each distributor in this state with which it has a franchise agreement.

(d) The price listing required by paragraph (3), above, shall be filed at least every three months and shall include:

(1) The cash price for all spirits and wine sold in the state that are sold by the case;

(2) the origin of the shipments;

(3) the price per case for each size of original packages of each particular brand or kind of spirits or wine;

(4) any other information the director may require;

(5) when such alcoholic liquors are sold in bulk by the barrel:

(A) The cash price;

(B) the wholly deferred or partly deferred payment price, f.o.b. the manufacturer's warehouse or point of shipment;

(C) the age;

(D) price per proof gallon;

(E) original gauge in bond;

(F) for each class and type of particular brand or brands, if any, under which the alcoholic liquors in bulk will be bottled; and

(G) any other information the director may require.

(6) a complete description of the alcoholic liquors to be offered for sale during the months concerned;

(7) the description of spirits and wine in cases including the brand, type, container size, number of containers in each case, actual weight per each case and proof of all spirits; and

(8) the alcoholic content of all wines.

(e) Each manufacturer shall forward by certified mail to each licensed distributor who possesses a franchise for the manufacturer's brands within the state of Kansas, a copy of the price list or amendment on the same date the price list or amendment required by subsection (d), above, is forwarded to the office of the director. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-402 as amended by L. 1987, ch. 182, sec. 34, 41-409 as amended by L. 1987, ch. 182, sec. 38, 41-601 as amended by L. 1987, ch. 182, sec. 43, 41-602 as amended by L. 1987, ch. 182, sec. 44, 41-1101 as amended by L. 1987, ch. 182, sec. 59; effective, T-89-2, Jan. 7, 1988.)

**14-14-11. Prohibited conduct of licensees.** (a) No manufacturer of alcoholic liquor, holding a manufacturer's license issued by the director and no manufacturer of alcoholic liquor outside of this state manufacturing alcoholic liquors for sale and distribution within the state and no licensed distributor within the state, their agents, salesmen or representatives shall, directly or indirectly, offer, give or furnish any gifts, prizes, coupons, premiums, rebates, quantity discounts, entertainment decorations, services of any

employee, including errands and administrative services or any other inducement or thing of value of any kind to a licensed retailer or to an applicant for a retail liquor license who has submitted an application to the director, except as provided in Article 10.

(b) A manufacturer, including a manufacturer outside of this state, that manufactures alcoholic liquor for sale and distribution within this state shall not, directly or indirectly, offer, furnish or give any rebates to any distributor, distributor's spouse, agent, salesperson or representative.

(c) A licensee shall not, as a condition for the sale or delivery of alcoholic liquor to any other licensee or to a customer, require that the other licensee or customer purchase or contract to purchase alcoholic liquor of another form, quantity or brand in addition to, or partially in lieu of, that specifically ordered or desired by the licensee or customer. No licensee of any class shall sell or deliver alcoholic liquor in any form or quantity or of any brand to another licensee or to a customer, under any arrangement, agreement or understanding, direct or implied, that the sale or delivery will be made only if the other licensee or customer also buys or accepts delivery of a quantity or alcoholic liquor of another form or brand.

(d) If any licensee shall refuse to permit the director or any agent or employee of the director to inspect the licensed premises and any alcoholic liquor owned or controlled by the licensee upon the licensed premises or upon any other premises where the licensee may have liquor stored, the refusal shall be grounds for the revocation of the license.

(e) A manufacturer shall be deemed to have discriminated against licensed distributors, including those possessing a franchise to distribute a brand or brands in a geographical territory, if the manufacturer directly or indirectly, or through any agent or employee:

(1) Offers to sell or sells to a distributor alcoholic liquor, except beer, in any manner that results in a price less than the listed current price which the manufacturer has filed with the director;

(2) requires a licensed distributor to purchase in excess of one case lot of any brand, or kind, or container size of that alcoholic liquor that is sold by the case;

(3) refuses to sell any brand or kind of alcoholic liquor, except beer, to a licensed distributor in any quantity ordered by a distributor in lots of one or more cases when alcoholic liquor is sold to distributors by the case;

(4) refuses to sell for cash at the listed current price any alcoholic liquor, except beer, to a licensed distributor, if such alcoholic liquor is ordered in a lot of one case or more when the price listed to distributors is by the case;

(5) refuses to sell any brand or kind of alcoholic liquor, to a licensed distributor unless the licensed distributor purchases or agrees to purchase alcoholic liquor of another kind, form, quantity or brand in addition to, or partially in lieu of, the brand or kind of alcoholic liquor specifically ordered by the licensed distributor; or

(6) fails to fill orders of distributors for alcoholic liquor, other than beer, in the chronological sequence in which orders from distributors are received. This paragraph shall not apply when the manufacturer is operating under a rationing plan approved by the director.

(f) A licensee shall not sell, offer for sale or deliver to any licensee any alcoholic beverage unless a schedule of prices for those alcoholic beverages has been filed in the office of the director if required by K.A.R. 14-14-9.

(g) A distributor shall not sell or offer for sale at wholesale, directly or indirectly, any alcoholic beverage listed in the schedule of minimum prices to retailers, in effect at that time, at less than its listed price. Special permission to do so may be granted by the director for special cause shown.

(h) A distributor shall be deemed to have discriminated against licensed retailers if it either directly or indirectly, or by any agent or employee:

(1) Makes an offer to make any secret rebate to or enters into any transaction in any manner whatsoever with any licensed retailer which would result in, or having as its purpose the purchase of any such alcoholic liquor by a licensed retailer at a price less than the current price which is filed with the director.

(2) Requires a licensed retailer to purchase in one-case lot of any brand, or kind, or container size of such alcoholic liquor, except beer.

(3) Refuses to sell any brand or kind of alcoholic liquor, except beer, to a licensed retailer for cash at the listed current price in any quantity ordered by the licensed retailer.

(4) Refuses to sell any brand or kind of alcoholic liquor, other than beer, to a licensed retailer unless the licensed retailer shall purchase or agree to purchase alcoholic liquor of another kind, quantity, or brand in addition to, or partially in lieu of the brand or kind of alcoholic liquor specifically ordered by the licensed retailer. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-702 as amended by L. 1987, ch. 182, sec. 47, 41-703 as amended by L. 1987, ch. 182, sec. 48, 41-1101 as amended by L. 1987, ch. 182, sec. 59; effective, T-89-2, Jan. 7, 1988.)

**14-14-12. Transportation of wine and spirits by distributors.** Delivery shall not be made to retailers, clubs, drinking establishments or caterers between the hours of 11:00 p.m. and 8:00 a.m. Delivery shall not be made on the same day the order is placed. This regulation shall expire July 1, 1988. (Authorized by K.S.A. 41-210 as amended by L. 1987, ch. 182, sec. 10; implementing K.S.A. 41-402 as amended by L. 1987, ch. 182, sec. 34, 41-405, 41-408 as amended by L. 1987, ch. 182, sec. 36, 41-211, 41-701 as amended by L. 1987, ch. 182, sec. 45, 41-708, 41-709 as amended by L. 1987, ch. 182, sec. 49, 41-712; effective, T-89-2, Jan. 7, 1988.)

HARLEY T. DUNCAN  
Secretary of Revenue

Doc. No. 006156

State of Kansas

**BOARD OF AGRICULTURE  
DIVISION OF WATER RESOURCES**

**PERMANENT ADMINISTRATIVE  
REGULATIONS**

(Effective May 1, 1988.)

**Article 10.—WATER APPROPRIATION**

**5-10-1.** (Authorized by K.S.A. 82a-706a, K.S.A. 1982 Supp. 82a-708a; implementing K.S.A. 1982 Supp. 82a-708a; effective, T-83-25, Sep. 1, 1982; effective May 1, 1983; revoked May 1, 1988.)

**5-10-2.** (Authorized by K.S.A. 82a-706a, K.S.A. 1982 Supp. 82a-708a; implementing K.S.A. 1982 Supp. 82a-708a; effective, T-83-25, Sep. 1, 1982; effective May 1, 1983; revoked May 1, 1988.)

**5-10-3.** (Authorized by K.S.A. 82a-706a, K.S.A. 1982 Supp. 82a-708b; implementing K.S.A. 1982 Supp. 82a-708b; effective, T-83-25, Sep. 1, 1982; effective May 1, 1983; revoked May 1, 1988.)

**Article 25.—BIG BEND GROUNDWATER  
MANAGEMENT DISTRICT NO. 5**

**5-25-4. Safe yield.** (a) Except for domestic use, wells proposing to withdraw water solely from a consolidated aquifer, and applications for a change in the point of diversion for which the diversion works have been completed under the original approved application, the approval of all applications for a permit to appropriate water for beneficial use and applications for change in point of diversion shall be subject to the following criteria:

(1) The proposed appropriation, when added to the vested rights, prior appropriation rights and earlier priority applications within a two mile radius circle whose center is the location of the proposed well shall not exceed 3,000 acre-feet. It shall be assumed, for purpose of analysis, that all prior applications, permits, certificates and vested rights are being fully exercised and all limitation clauses listed on permits and certificates shall be in force;

(2) If part of the area within the two mile radius circle about the proposed well is outside the district boundary, the 3,000 acre-foot quantity of water referred to above shall be reduced proportionately by the percentage of acreage lying outside of the district boundaries. Only the vested rights, prior appropriations and earlier priority applications ascribed to wells within the portion of the circle within the district shall be considered;

(3) If wells authorized under a vested right or an application are divided by the circumference of the circle, a reasonable quantity shall be allocated to each well or wells based upon the best available information; and

(4) Each analysis for an application for a change in the point of diversion, referred to above, shall include

(continued)

all applications with a priority earlier than the priority established by the filing of the application for change.

(b) If the applicant proposes to drill a well in a consolidated aquifer, the applicant shall submit sufficient data to substantiate that a continuous impermeable zone exists between the pleistocene sand and gravel and the proposed consolidated source of supply within the two mile radius circle surrounding the proposed point of diversion. Each applicant shall also submit a water quality analysis from the proposed source of supply.

(c) Exceptions to this regulation may be granted if it is proven to the satisfaction of the board and the chief engineer that such exceptions will not impair a use under an existing right, nor prejudicially and unreasonably affect the public interest. (Authorized by K.S.A. 82a-1028(o); implementing K.S.A. 82a-1028(n); effective May 1, 1980; amended May 1, 1981; amended, T-86-4, March 22, 1985; amended May 1, 1986; amended May 1, 1987; amended May 1, 1988.)

DAVID L. POPE  
Chief Engineer

Division of Water Resources

Doc. No. 006147

## State of Kansas

### ALCOHOLIC BEVERAGE CONTROL BOARD OF REVIEW

#### PERMANENT ADMINISTRATIVE REGULATIONS

(Effective May 1, 1988.)

#### Article 1.—GENERAL INFORMATION

**13-1-1.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-1-2.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

#### Article 2.—APPEALS AND HEARINGS

**13-2-1.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-2.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-3.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-4.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-5.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-6.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-7.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-8.** (Authorized by K.S.A. 41-211; implementing K.S.A. 41-321; effective Jan. 1, 1966; amended May 1, 1987; revoked May 1, 1988.)

**13-2-9.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-10.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-11.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-12.** (Authorized by K.S.A. 41-321, 41-322; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-13.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-14.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-2-15.** (Authorized by K.S.A. 41-210, 41-321; effective Jan. 1, 1966; amended May 1, 1978; revoked May 1, 1988.)

#### Article 3.—ORDERS OF BOARD

**13-3-1.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-3-2.** (Authorized by K.S.A. 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

#### Article 4.—REGULAR MEETINGS, DUTIES

**13-4-1.** (Authorized by K.S.A. 41-203, 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-4-2.** (Authorized by K.S.A. 41-203, 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-4-3.** (Authorized by K.S.A. 41-210, 41-321, K.S.A. 1977 Supp. 41-203; effective Jan. 1, 1966; amended May 1, 1978; revoked May 1, 1988.)

**13-4-4.** (Authorized by K.S.A. 41-203, 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

**13-4-5.** (Authorized by K.S.A. 41-203, 41-321; effective Jan. 1, 1966; revoked May 1, 1988.)

#### Article 5.—PRICE, FREIGHT DETERMINATION

**13-5-1.** (Authorized by K.S.A. 41-1118; effective Jan. 1, 1966; amended Jan. 1, 1973; revoked May 1, 1988.)

**13-5-2.** (Authorized by K.S.A. 41-1118; implementing K.S.A. 1983 Supp. 41-1101, and K.S.A. 41-1112; effective Jan. 1, 1966; amended, E-80-27, Dec. 12, 1979; amended May 1, 1980; amended May 1, 1985; revoked May 1, 1988.)

#### Article 6.—STATUTES, REGULATIONS, INTERPRETATIONS

**13-6-1.** (Authorized by K.S.A. 41-211; K.S.A. 1965 Supp. 41-210; effective Jan. 1, 1966; revoked May 1, 1988.)

HARLEY T. DUNCAN  
Secretary of Revenue

Doc. No. 006150

## State of Kansas

## STATE CONSERVATION COMMISSION

PERMANENT ADMINISTRATIVE  
REGULATIONS

(Effective May 1, 1988.)

Article 1.—WATER RESOURCES  
COST-SHARE PROGRAM

**11-1-1.** (Authorized by K.S.A. 1982 Supp. 2-1904, 2-1915; implementing K.S.A. 1982 Supp. 2-1915; effective, E-81-26, Sep. 10, 1980; effective May 1, 1981; amended May 1, 1982; amended May 1, 1983; revoked T-88-18, July 1, 1987; revoked May 1, 1988.)

**11-1-2 to 11-1-3.** (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1985, Ch. 342, Sec. 9; implementing K.S.A. 2-1915, as amended by L. 1985, Ch. 342, Sec. 9; effective, E-81-26, Sep. 10, 1980; effective May 1, 1981; amended May 1, 1982; amended May 1, 1983; amended T-86-43, Dec. 18, 1985; amended May 1, 1986; revoked T-88-18, July 1, 1987; revoked May 1, 1988.)

**11-1-4 to 11-1-5.** (Authorized by K.S.A. 1982 Supp. 2-1904, 2-1915; implementing K.S.A. 1982 Supp. 2-1915; effective, E-81-26, Sep. 10, 1980; effective May 1, 1981; amended May 1, 1982; amended May 1, 1983; revoked T-88-18, July 1, 1987; revoked May 1, 1988.)

**11-1-6. Definitions.** (a) "Commission" means the state conservation commission.

(b) "Conservation district" means a subdivision of state government with its own governing body created under K.S.A. 2-1901 *et seq.* as a special purpose district to develop and carry out soil and water conservation programs within its boundaries.

(c) "Enduring conservation practice" means a structure, planting or combination of the two which, when installed on land, will reduce the loss of soil, water or nutrients to other land, streams or lakes and will have a useful life for an extended period of years.

(d) "Landowner" means a private or public owner of land within the conservation district. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

**11-1-7. Program.** The water resource cost-share program provides state appropriated financial assistance to landowners for the installation of enduring conservation practices and shall be administered at the local level by the conservation district board of supervisors. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

**11-1-8. Procedures.** The "water resources cost-share program guidelines and procedures," the "guidelines for practices and components" and the "instructions for county average costs worksheet" in

section eight of the conservation district handbook and dated January 13, 1987, are adopted by reference. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

Article 2.—HIGH PRIORITY  
COST-SHARE PROGRAM

**11-2-1 to 11-2-3.** (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1985, Ch. 342, Sec. 9; implementing K.S.A. 2-1915, as amended by L. 1985, Ch. 342, Sec. 9; effective T-86-43, Dec. 18, 1985; effective May 1, 1986; revoked T-88-18, July 1, 1987; revoked May 1, 1988.)

**11-2-4. Definitions.** (a) The definition of terms contained in K.A.R. 11-1-6 shall apply to the regulations in Article 2.

(b) "High priority area" means a specific area that has been identified in the state water plan as containing priority water quality and quantity problems. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

**11-2-5. Program.** The high priority cost-share program provides state cost-share financial assistance to landowners for the installation of enduring conservation practices in high priority areas and shall be administered at the local level by the conservation district board of supervisors. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

**11-2-6. Procedures.** The "high priority cost-share program guidelines and procedures," the "guidelines for practices and components" and the "instructions for county average cost worksheets" in section eight of the conservation district handbook and dated January 13, 1987, are adopted by reference. (Authorized by K.S.A. 2-1904, 2-1915, as amended by L. 1986, Ch. 7; implementing K.S.A. 2-1915, as amended by L. 1986, Ch. 7; effective, T-88-18, July 1, 1987; effective May 1, 1988.)

KENNETH F. KERN  
Executive Director

Doc. No. 006149

State of Kansas  
KANSAS STATE UNIVERSITY

NOTICE TO BIDDERS

Sealed bids for items listed below will be received by 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.

Wednesday, February 17, 1988

#80049

Magnet Coils

#80048

Spectrometer and Helium Dewar

Thursday, February 18, 1988

#80047

1/2 Ton Pickup Trucks

WILLIAM H. SESLER  
Director of Purchasing

Doc. No. 006181

State of Kansas  
SECRETARY OF STATE  
PERMANENT ADMINISTRATIVE  
REGULATIONS  
(Effective May 1, 1988.)

Article 31.—LAND SURVEYS

**7-31-4. Filing Fees.** (a) The fees for filing reference reports in the office of the secretary of state pursuant to K.A.R. 7-30-1 or 7-30-2 shall be \$5.00 for the first five corners to which reference is made and \$1.00 for each additional corner.

(b) The fees for information requests, provided for pursuant to K.S.A. 58-2011, and any amendments thereto, shall be as follows:

- (1) For each page copied ..... \$1.00
- (2) For any copy to be certified ..... \$5.00

(Authorized by K.S.A. 58-2009; implementing K.S.A. 1986 Supp. 58-2011; effective May 1, 1984; amended, T-85-25, Sept. 18, 1984; effective May 1, 1985; amended, T-88-49, Dec. 16, 1987; amended May 1, 1988.)

BILL GRAVES  
Secretary of State

Doc. No. 006148

State of Kansas  
STATE CORPORATION COMMISSION

NOTICE OF MOTOR  
CARRIER HEARINGS

Applications set for hearing are to be heard at 9:30 a.m. before the State Corporation Commission, Docking State Office Building, fourth floor, Topeka, unless otherwise noticed.

This list does not include cases previously assigned hearing dates for which parties of record have received notice.

Questions concerning applications for hearing dates should be addressed to the State Corporation Commission, 4th Floor, Docking State Office Building, Topeka 66612, (913) 296-3808 or 296-2110.

Your attention is invited to Kansas Administrative Regulations (K.A.R.) 82-1-228, "Rules of Practice and Procedure Before the Commission."

Applications set for February 16, 1988

Application for Abandonment of Certificate of Convenience and Necessity:

Robert Point, dba ) Docket No. 142,447 M  
Point's Trucking )  
Hwy. 3 East, Box 117 )  
Pocahontas, IA 50574 ) MC ID No. 119932

Applicant's Attorney: None

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Application for Abandonment of Certificate of Convenience and Necessity:

Mayflower Transit, Inc., dba ) Docket No. 19,975 M  
Aero Mayflower Transit Co., )  
Inc. )  
P.O. Box 107 )  
Indianapolis, IN 46206-0107 ) MC ID No. 106953

Applicant's Attorney: None

\*\*\*\*\*

Application for Abandonment of Certificate of Convenience and Necessity:

Duane Eickhoff ) Docket No. 142,084 M  
Route 2 )  
Falls City, NE 68355 ) MC ID No. 118457

Applicant's Attorney: None

\*\*\*\*\*

Application for Extension of Certificate of Convenience and Necessity:

Brad Muir, dba ) Docket No. 157,505 M  
M & M Trucking )  
Route 1 )  
Stockton, KS 67669 ) MC ID No. 129399

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

Grain, dry feed, dry feed ingredients, dry fertilizer, seeds and salt,



Between points and places in Kansas on and west of U.S. 81.

Also,

Between points in the above described territory, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Steve Brown, dba ) Docket No. 158,917 M  
Brown Trucking )  
212 N. Park )  
Johnson, KS 67855 )

Applicant's Attorney: None

*Grain, sunflower seeds and dry fertilizer,*

Between all points and places west of U.S. 81.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Roy Bretton, dba ) Docket No. 158,920 M  
Bretton & Son )  
548 C. Street )  
Phillipsburg, KS 67661 )

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

*Grain, hay, dry feed ingredients, dry feed, dry fertilizer, seeds, salt, iron and steel articles, construction and building materials, fencing materials and junk,*

Between points and places in Kansas on and west of U.S. 81.

Also,

Between points and places in Kansas on and west of U.S. 81, on the one hand, and points and places in the state of Kansas, on the other hand.

*Livestock,*

Between points and places in Kansas on and west of U.S. 81 and north of U.S. 50.

Also,

Between the above described area, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Sebastian Lombardo, dba ) Docket No. 158,925 M  
Falls City Cab Company )  
1722 Nemaha Ave. )  
Falls City, NE 68355 )

Applicant's Attorney: Rodney Peake, 1836 "M" St., Belleville, KS 66935

*Railroad crews and their baggage,*

Between points and places in Kansas.

\*\*\*\*\*

**Application for Name Change of Certificate of Convenience and Necessity:**

Kansas City Piggyback, Inc. ) Docket No. 122,524 M  
3600 Great Midwest Drive )  
Kansas City, MO 64161 ) MC ID No. 103171  
TO:

Terminal Consolidation Company  
3600 Great Midwest Drive  
Kansas City, MO 64161

Applicant's Attorney: None

*General commodities (except household goods and commodities in bulk),*

Between points and places in Kansas.

Provided, however, that no service will be rendered in the transportation of packages weighing 75 pounds or less than 108 inches in length and girth.

Restricted, however, to transport no oilfield equipment, materials, supplies or machinery, or commodities, the transportation of which requires the use of special equipment because of size or weight.

Note: This application was filed pursuant to K.A.R. 82-4-27(c). If no protest is timely filed, the application will be considered by the commission without a hearing, pursuant to K.S.A. 66-1,115(a).

\*\*\*\*\*

**Renoticed Application for Certificate of Convenience and Necessity:**

Wes Rezac ) Docket No. 158,358 M  
305 Alma )  
St. Marys, KS 66536 ) MC ID No. 129680

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

*Livestock, hay, grain, dry feed, dry feed ingredients, salt, seeds, construction and building materials, fencing materials, machinery and dry fertilizer,*

Between points and places in the following counties: Republic, Washington, Marshall, Nemaha, Brown, Doniphan, Cloud, Clay, Riley, Pottawatomie, Jackson, Atchison, Ottawa, Dickinson, Geary, Wabaunsee, Shawnee, Jefferson, Leavenworth, Douglas, Wyandotte, Johnson, Miami, Franklin, Osage, Lyon, Chase, Morris, Marion, Saline, McPherson, Harvey, Reno, Sedgwick, Butler, Greenwood, Coffey, Anderson, Linn, Woodson, Allen, Bourbon, Crawford, Neosho, Wilson, Elk, Sumner, Cowley, Chautauqua, Montgomery, Labette and Cherokee.

Also,

Between points and places in the above named counties, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

(continued)

Applications set for February 18, 1988

Application for Transfer of Certificate of Convenience and Necessity:

George Fox and Gary Fox, dba Fox's Body and Glass 604 Loamis Winfield, KS 67156 MC ID No. 122331 TO: Gary Fox, dba Fox's Body and Glass 604 Loamis Winfield, KS 67156

Applicant's Attorney: None

Wrecked, disabled, repossessed and replacement motor vehicles and trailers,

Between all points and places in Cowley, Sumner, Sedgwick, Butler, Elk, and Chautauqua counties, Kansas.

Note: This application was filed pursuant to K.A.R. 82-4-27(c). If no protest is timely filed, the application will be considered by the commission without a hearing, pursuant to K.S.A. 66-1,115(a).

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Darrell Haskell, dba Midway Transportation Route 1, Box 18B Kingsley, KS 67547 Docket No. 158,923 M

Applicant's Attorney: William Barker, 3401 S.W. Harrison, Topeka, KS 66611

Livestock, grain, dry feed, dry feed ingredients, dry fertilizer, dry fertilizer ingredients, concrete products and farm machinery,

Between points in Greeley, Wichita, Scott, Lane, Ness, Rush, Barton, Rice, Hamilton, Kearny, Finney, Gray, Ford, Hodgeman, Pawnee, Edwards, Stafford, Kiowa, Pratt, Reno, Kingman, Stanton, Grant, Haskell, Morton, Stevens, Seward, Meade, Clark, Comanche, Barber and Harper counties, Kansas.

Also,

Between points in the above named counties, on the one hand, and on the other, all points in the State of Kansas.

\*\*\*\*\*

Application for Transfer of Certificate of Convenience and Necessity:

James D. John, dba John Trucking Route 2, Box 85 Thayer, KS 66766 MC ID No. 100698 TO: Velma John, dba John Trucking Route 2, Box 85 Thayer, KS 66766

Applicant's Attorney: Clyde Christey, Southwest Plaza Bldg., Suite 202, 3601 W. 29th, Topeka, KS 66614

Livestock, corn, wheat, maize, oats, soy beans, prairie hay and alfalfa,

Between points and places within a 15-mile radius of Thayer, Kansas, on the one hand.

Also,

Between points and places within a 15-mile radius of Thayer, Kansas, to points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

Application for Extension of Certificate of Convenience and Necessity:

Velma John, dba John Trucking Route 2, Box 85 Thayer, KS 66766 Docket No. 78,516 M

Applicant's Attorney: Clyde Christey, Southwest Plaza Bldg., Suite 202, 3601 W. 29th, Topeka, KS 66614

Livestock, grain, hay, feed, feed ingredients, salt, seeds, dry fertilizer, construction and building materials, fencing materials and machinery,

Between points and places in Kansas on and east of U.S. 77.

Also,

Between points and places in Kansas on and east of U.S. 77, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Metzger Trucking, Inc. Route 2, Box 51A Wauneta, NE 69045 Docket No. 158,921 M

Applicant's Attorney: None

Grain, livestock, salt, bulk and bagged animal feed,

Between all points and places in Cheyenne, Decatur, Sherman, Wallace, Greeley, Hamilton, Rawlins, Thomas, Logan, Wichita, Scott, Finney, Haskell, Seward, Gove, Trego, Ellis, Russell, Ellsworth, Saline, McPherson, Harvey, Sedgwick, Ness, Hodgeman, Ford, Kearny, and Sheridan counties, Kansas.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Stephen D. Schartz and Charles Warner, dba Warner Ranch Trucking 101 N. Main Cimmaron, KS 67835 Docket No. 158,922 M

Applicant's Attorney: Robert Tilton, P.O. Box 1337, 1324 Topeka Blvd., Topeka, KS 66601-1337

Grain, feed, seed and dry fertilizer,

Between all points and places in Kansas.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Kevin L. Wiebe, dba ) Docket No. 158,924 M
Wiebe Tire and Supply )
209 S. Main )
El Dorado, KS 67042 )

Applicant's Attorney: None

Wrecked and disabled motor vehicles and trailers,

Between all points and places in Butler, Sedgwick, Harvey and Greenwood counties, Kansas.

Also,

Between all points and places in the above described territory, on the one hand, and all points and places in the state of Kansas, on the other.

\*\*\*\*\*

Applications set for February 23, 1988

Application for Certificate of Convenience and Necessity:

Robert M. Bailey, dba ) Docket No. 158,926 M
Bailey's Body Shop )
319 Maple )
Dodge City, KS 67801 )

Applicant's Attorney: None

Wrecked, disabled, repossessed and replacement motor vehicles or trailers,

Between all points and places in Ford County, Kansas.

Also,

Between all points and places in Ford County, Kansas, on the one hand, and all points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

K-K Lines, Inc. ) Docket No. 158,929 M
4435 N.W. Hwy 24 )
Topeka, KS 66618 )

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

General commodities (except household goods, classes A and B explosives, liquid bulk commodities and bulk flour)

Between points and places on and east of U.S. 81 and Saline, Sedgwick and Reno counties.

Also,

Between points and places on and east of U.S. 81 and Saline, Sedgwick and Reno counties, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Dave Cline, dba ) Docket No. 158,930 M
Cline Trucking )
Route 1, Box 10A )
Lake City, KS 67071 )

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

Livestock, grain, feed, feed ingredients, salt, seeds, dry fertilizers,

Between points and places in Barber, Harper, Pratt, Kiowa, Comanche, Sumner, Sedgwick, Kingman, Clark, Meade, Stafford and Reno counties, Kansas.

Also,

Between points and places in the above described counties, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

Lampshade, Inc. ) Docket No. 158,931 M
P.O. Box 44 )
Kendall, KS 67857 )

Applicant's Attorney: Joseph Weiler, 1610 S.W. Topeka Blvd., P.O. Box 237, Topeka, KS 66612

Grain, feed, feed ingredients, dry fertilizer and livestock,

Between points in the Kansas counties of Morton, Stanton, Hamilton, Kearny, Grant, Stevens, Seward, Haskell, Finney, Gray, Meade, Clark, Ford and Hodgeman.

Also,

Between points in the above named counties, on the one hand, and on the other, points in the state of Kansas.

\*\*\*\*\*

Application for Abandonment of Certificate of Convenience and Necessity:

Charles Robison, Delton ) Docket No. 149,459 M
Robison, and Doyle )
Robison, dba )
Robison Farms )
Route 1 )
Scandia, KS 66966 ) MC ID No. 124021

Applicant's Attorney: None

\*\*\*\*\*

Application for Contract Carrier Permit:

Bernie Berry, dba ) Docket No. 158,927 M
Bernie Berry (Leasing) )
901 W. Elm )
Salina, KS 67401 )

Applicant's Attorney: None

Railroad crews,

Between all points and places on and north of I-70.

\*\*\*\*\*

Application for Certificate of Convenience and Necessity:

D. W. Young Haulage, Inc. ) Docket No. 158,932 M
Ranchwood Estate )
Fort Dodge Road )
Dodge City, KS 67801 )

Applicant's Attorney: None

(continued)

*General commodities (except classes A and B explosives),  
Between all points and places in the state of Kansas.*

\*\*\*\*\*

**Application for Certificate of Convenience  
and Necessity:**

Carl E. Reiff, dba ) Docket No. 158,933 M  
Carl E. Reiff Sales & Service)  
Route 2, Box 29 )  
Netawaka, KS 66516 )

Applicant's Attorney: None

*Processed and unprocessed agriculture  
commodities, except livestock,*

Between all points and places in the state of Kansas.

\*\*\*\*\*

**Application for Certificate of Convenience  
and Necessity:**

Ronald A. Sowell and ) Docket No. 158,928 M  
Sally K. Sowell )  
501 Pottawatomie )  
Manhattan, KS 66502 )

Applicant's Attorney: None

*General commodities (except classes A and B explosives,  
household goods, commodities in bulk, commodities re-  
quiring refrigeration and hazardous materials as defined  
in 49 C.F.R. § 172.101), cement and fly ash),*

Between all points and places in Riley, Pottawatomie,

Wabaunsee, Clay, Dickinson, Geary and Shawnee coun-  
ties, Kansas.

Also,

Between all points and places in the above described  
territory, on the one hand, and on the other hand, all  
points and places in the state of Kansas.

\*\*\*\*\*

**Application for Certificate of Convenience  
and Necessity:**

Frank Kuckelman, Jr., dba ) Docket No. 158,934 M  
Frank Kuckelman Trucking )  
Route 3, Box 107 )  
Seneca, KS 66538 )

Applicant's Attorney: Michael Ireland, Suite D, 234 N.  
7th, Salina, KS 67401

*Livestock and farm products,*

Between all points and places in Jackson, Nemaha,  
Brown, Doniphan, Atchison, Jefferson, Douglas, Shaw-  
nee, Riley, Marshall, Pottawatomie, Wabaunsee and  
Leavenworth counties, Kansas.

Also,

Between the above-named counties, on the one hand,  
and points and places in the state of Kansas, on the other.

\*\*\*\*\*

ALFONZO A. MAXWELL  
Administrator  
Transportation Division

Doc. No. 006174

**State of Kansas**

**OFFICE OF JUDICIAL ADMINISTRATION**

**SUPREME COURT DOCKET**

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

**Tuesday, February 16, 1988**

**9:30 a.m.**

Case No.	Case Name	Attorneys	County
60,904	State of Kansas, Appellee,	Robert T. Stephan, Attorney General Clarence D. Holeman, Assistant District Attorney	Sedgwick
	v. Benjamin Holcomb, Appellant.	Benjamin C. Wood	
60,775	State of Kansas, Appellant,	Robert T. Stephan, Attorney General Clarence D. Holeman, Assistant District Attorney	Sedgwick
	v. Steven J. Trudell, Appellee.	Michael Barbara	
60,652	State of Kansas, Appellee,	Robert T. Stephan, Attorney General Clarence D. Holeman, Assistant District Attorney	Sedgwick
	v. Robert B. Sterling, Appellant.	Benjamin C. Wood	

60,838	Scholfield Brothers, Inc., A Kansas Corporation, Appellee, v. State Farm Mutual Automobile Insurance Company and Florence L. Clafer, Appellants.	Broc E. Whitehead  Stephen M. Kerwick	Sedgwick
60,536	Air Capital Aircraft Sales, Inc., Appellant, v. Associated Aviation Underwriters, <i>et al.</i> , Appellees, v. Farmers State Bank, Intervenor, Appellant.	Frank C. McMaster  Byron Brainerd  Richard V. Foote	Sedgwick
1:30 p.m.			
60,225	Rusty Coleman, Appellant, v. Safeway Store, Incorporated, Appellee.	N. Trip Shawver  Steven R. Smith	Sedgwick On Petition for Review
60,524	Fawn N. Mooney, Appellant, v. Collins Industries, Inc., <i>et al.</i> , Appellees.	Victoria M. Kumorowski  Robert D. Overman	Reno
60,484	Gregory Marshall, Appellant, v. Gilbert Central Corporation, A Delaware Corporation, <i>et al.</i> , Appellees.	Payne Ratner, Jr. John M. Merritt  John A. Hurley Paul R. Hoferer	Butler

Wednesday, February 17, 1988

9:30 a.m.

Case No.	Case Name	Attorneys	County
60,563	Robert Danes, Appellant, v. St. David's Episcopal Church, Appellee.	Thomas Odell Rost  Jeanne Gorman Rau	Shawnee
60,956	Judy A. Hoffman, Appellant, v. Lambert Haug, Appellee.	Steven L. Opat  Max M. Hinkle	Dickinson
61,002	Margaret L. Folks, <i>et al.</i> , Appellees, v. Kansas Power & Light Company, A Corporation, Appellant.	Donald W. Vasos Richmond M. Enochs  Frederick K. Starrett	Wyandotte
61,040	The City of Arkansas City, Kansas, <i>et al.</i> , Appellees, v. A. Scott Anderson, <i>et al.</i> , v. Mid-America Title Company, Inc., and Hesston State Bank, Appellant, and the United States of America.	Thomas E. Ruzicka  Paul Hasty, Jr.  W. Y. Chalfant	Cowley
61,102	Leigh Palmer, Appellant, v. Paul Brown, M.D., <i>et al.</i> , Appellees.	Kevin M. Fowler Randall J. Forbes  Mark A. Corder	Johnson

(continued)

1:30 p.m.

60,273	Doris Miller, Appellant, v. Board of Education, Unified School District 470, Cowley County, Kansas, Appellee.	David M. Schauner Julie S. Roth  Donald Hickman	Cowley  On Petition for Review
60,636	Christina L. Rood, Appellant, v. Kansas City Power & Light Company, Appellee.	Elizabeth A. Carson Richard T. Merker	Johnson
60,041	Raymond Riedesel, Jr., <i>et al.</i> , Appellees, v. Alberto Meza, Jr., <i>et al.</i> , Appellants.	Richard L. Reid Ronald Schneider	Wyandotte On Petition for Review

Thursday, February 18, 1988

9:30 a.m.

Case No.	Case Name	Attorneys	County
60,708	John Geisinger, dba John Geisinger Building Materials Company, Appellee, v. Rudy Lechtenberger, Appellant.	Thomas C. Boone  Allen Shelton	Sheridan
60,950	State of Kansas, Appellee, v. Stephen Thomas Bishop, Appellant.	Robert T. Stephan, Attorney General Mark A. Ward, County Attorney  Benjamin C. Wood	Bourbon
60,862	State of Kansas, Appellee, v. Eugene Madkins, Appellant.	Robert T. Stephan, Attorney General Stephen Opat, County Attorney  Benjamin C. Wood	Geary
60,813	State of Kansas, Appellant, v. Frank Darrell Guy, aka Arthur Lee Jones, Appellee.	Robert T. Stephan, Attorney General Julie McKenna, Assistant County Attorney  Benjamin C. Wood David Gottlieb	Saline
consolidated with			
60,814	State of Kansas, Appellant, v. Anthony Albert Stone, Appellee.	Robert T. Stephan, Attorney General Julie McKenna, Assistant County Attorney  Benjamin C. Wood	Saline

1:30 p.m.

60,668	State of Kansas, Appellant, v. Lannie Riedel, Appellee.	Robert T. Stephan, Attorney General Bruce W. Beye, Assistant District Attorney  Joseph Dioszeghy	Johnson
60,876	State of Kansas, Appellee, v. Christopher Chambers, Appellant.	Robert T. Stephan, Attorney General Paul Morrison, Assistant District Attorney  Robert L. Morse	Johnson

Friday, February 19, 1988

9:30 a.m.

Case No.	Case Name	Attorneys	County
61,018	State of Kansas, Appellee, v. John H. James, Appellant.	Robert T. Stephan, Attorney General Gene Olander, District Attorney  Benjamin C. Wood	Shawnee
60,132	State of Kansas, Appellee, v. Greg Kirby, Appellant.	Robert T. Stephan, Attorney General Gene Olander, District Attorney  Benjamin C. Wood	Shawnee On Petition for Review
59,959	David W. Harrier, Appellant, v. Joseph Gendel, M.D., Appellee.	C. Bruce Works  Thomas Theis	Shawnee On Petition for Review
61,134	Lenvoll Mackey, <i>et al.</i> , v. R. D. Andersen, Inc., a Kansas Corporation, <i>et al.</i> , Appellants, v. Board of County Commissioners, Shawnee County, Kansas, Appellee.	Thomas H. Marshall Michael T. Manley Michael L. Lewis Stewart L. Entz  Arthur E. Palmer	Shawnee

1:30 p.m.

61,046	Farmers State Bank, A Corporation, Appellee, v. Virgil Girtz and Lyann Girtz, <i>et al.</i> , Appellants.	Jesse T. Randall  R. Kent Pringle	Linn
61,357	In the Matter of J. William Stapleton, Respondent.	Bruce E. Miller Stanton A. Hazlett  J. William Stapleton, <i>pro se</i> J. Chris Morse	Original

LEWIS C. CARTER  
Clerk of the Appellate Courts

Doc. No. 006166



(Editor's Note: The following bill was first published in a special edition of the Kansas Register on January 23, 1988.)

(Published in the KANSAS REGISTER, February 4, 1988.)

SENATE BILL No. 494

AN ACT relating to the creation of a multistate lottery; enacting and joining the state of Kansas with other jurisdictions in an interstate agreement to create a multistate lottery.

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

Section 1. An interstate agreement creating a multistate lottery is hereby enacted into law and entered into with all jurisdictions legally joining therein, in the form substantially as follows:

INTERSTATE AGREEMENT CREATING  
A MULTISTATE LOTTERY

Party lotteries hereby agree to create a multistate lottery, hereinafter referred to as MUSL, an association of state lotteries and the District of Columbia, to operate a game, as follows:

1. That the party lotteries herein establish and create the multistate lottery board of directors, hereinafter referred to as board, on which each participating lottery shall be represented, to initiate, promulgate, administer and carry out a lottery game that will enhance each party lottery's revenue.

2. That a dual system of voting is established. One vote will be taken in which each party lottery has one vote. A second vote will be taken in which each party lottery has a number of votes equivalent to its proportionate percentage of the total population (as per the most recent U.S. census) of the states participating in MUSL multiplied by 100, except that the maximum vote a party lottery shall have under the second vote shall not exceed  $\frac{1}{3}$  of the total votes cast. Following the commencement of sales, each party lottery's second vote will have the number of votes equivalent to its proportionate percentage of total MUSL sales multiplied by 100, except that the maximum vote a party lottery shall have under the second vote shall not exceed  $\frac{1}{3}$  of the total votes cast. This percentage will be based upon each lottery's average monthly sales experience for the twelve or proportionate calendar months preceding the vote.

Unless a different percentage is provided in this agreement, the percentage of votes necessary to allow action by the MUSL is 51% of the votes cast pursuant to both methods of voting.

The terms of this agreement cannot be changed without a  $\frac{2}{3}$  vote of all party lotteries cast pursuant to both methods of voting.

3. That the quorum necessary to hold an official meeting of the MUSL board shall be representation in person or by proxy from at least 51% of all party lotteries. However, unless a majority of the proportionate population votes, as defined in paragraph 2 of this agreement are also represented, any decisions adopted at any MUSL board meeting must subsequently be ratified within 14 days by a majority vote utilizing the proportionate percentage share allocation of votes.

4. That the director or designee, of each party lottery shall represent it on the board and may cast the votes allocated to it either in person or proxy.

5. That the board shall elect for a term as prescribed in its bylaws, a president, vice-president, secretary and two coordinators from its membership hereinafter to be called the executive committee.

6. That a percent of the gross sales as determined by the MUSL board and stipulated in MUSL rules from the MUSL game sales of each party lottery will be aggregated in a common prize pool.

7. That operating costs of the MUSL shall be paid by each party lottery proportionate to its percentage of MUSL game sales as compared with total MUSL game sales. The executive committee will advise the board of the budget and estimated expenditures of MUSL for each fiscal year. The budget proposal will specifically estimate the portion of the total budget to be paid to MUSL by each of the member lotteries based upon the percentage described.

8. That the revenues not allocated to prizes or operating cost

as outlined above and generated within each party lottery shall remain in that lottery.

9. That the board's functions shall be performed and carried out by such advisory committees or panels, or both as the board may establish and by such officers and independent contractors as may be appointed by the board. All such officers, independent contractors, agents, consultants and employees shall serve at the pleasure of the board and the board shall prescribe their powers, duties and qualifications and fix their compensation and other terms of their service.

10. That each party lottery shall be responsible for travel and per diem expenses incurred by its board members unless otherwise approved by the board.

11. That the party lotteries shall operate and administer a game in accordance with rules governing the establishment and operation thereof, as promulgated by the board. Notwithstanding the above, the game rules shall be adopted by the party lotteries or similar rules and regulations will be adopted by each lottery which are approved by the MUSL board.

The rules may be changed or modified by the MUSL only after the MUSL has given each member two weeks notice that a rule change or modification will be voted upon at a MUSL meeting. A rule can be changed or modified by the MUSL by an affirmative vote of  $\frac{2}{3}$  of the MUSL members cast pursuant to both methods of voting. Following receipt of notice that an amendment or modification has been adopted the party lotteries shall adopt the amendment or modification or a similar amendment or modification which is approved by the MUSL board.

12. That the executive committee shall make annual reports to the party states, which shall include a full and complete statement of MUSL revenues, prize disbursements and other expenses and any other information the party lotteries may require. These reports shall be the basis to determine each party lottery's share of expenses as prescribed in the bylaws, this agreement and the rules.

13. That each party lottery shall provide all necessary operational reports and other data required by MUSL.

14. That all MUSL accounts and transactions shall be subject to annual post audits conducted by independent auditors retained by the board for this purpose and each of the party lotteries shall receive a certified copy of the same. All such records and transactions shall be available to all party lotteries for copying, inspection and auditing purposes as may be required under the laws of their state.

15. That the fiscal year of the MUSL shall be from July 1 of one calendar year to June 30th of the succeeding calendar year.

16. That prizes received pursuant to this agreement shall be subject to the statutory authority and rules and regulations of the party lotteries wherein the ticket was purchased. Any litigation relating to tickets and prizes shall be resolved according to the laws of the state where the ticket was purchased.

17. That MUSL shall continue in existence until this agreement is revoked by all of the party lotteries. The withdrawal of one or more party lotteries shall not terminate this agreement among the remaining lotteries. Upon termination of MUSL, any assets acquired by MUSL with the exception of the prize reserve fund, will be liquidated in a manner determined by the board. The proceeds from the liquidation will be divided among all of the lotteries which were members of MUSL in good standing at any time during the 12 months preceding termination. The amount of the proceeds received by each lottery will be calculated by use of the following formula:

$$\frac{\text{individual lottery MUSL sales during the twelve month period}}{\text{total MUSL sales during the 12-month period}} \times \text{proceeds available for distribution}$$

A party lottery wishing to withdraw from this agreement shall give the board a six months notice of its intention to withdraw. However, a lottery may terminate such agreement at any time without prior notice if authority to participate is withdrawn by executive or legislative action or if participation in the MUSL is in conflict with the constitution or statutes of any state. In addition, the MUSL can vote out a party lottery for cause with the consent of  $\frac{2}{3}$  of the party lotteries voting by both methods of

voting as outlined in paragraph 2, except the party lottery being voted upon shall be excluded from the vote in that proceeding and in the calculations as outlined in paragraph 2. A lottery which withdraws or is voted out by MUSL more than 12 months prior to termination of MUSL will not be entitled to a share of the property or assets of MUSL, except for such lottery's proportionate share of the prize reserve fund.

In the event that a party lottery terminates, voluntarily or involuntarily, or MUSL is terminated by agreement of the parties, the prize reserve fund share of the party lottery or lotteries shall not be returned to the party lottery or lotteries until the later of one year from and after the date of termination or final resolution of any pending unresolved liabilities arising from transactions processed during the tenure of the departing lottery or lotteries. The voluntary or involuntary termination of a party lottery or lotteries does not cancel any obligation to MUSL which the party lottery or lotteries incurred before the withdrawal date.

18. That all intellectual property rights developed and approved by MUSL with respect to the game including, but not limited to, trade marks, trade names, logos, copyrights, slogans and devices shall be acquired and held by a party lottery designated by MUSL for the use and benefit of MUSL. The use thereof shall be limited to party lotteries participating in this game.

19. That each party lottery agrees that upon termination from MUSL that it will not use any of the intellectual property identified with the game.

20. That the board shall not pledge the credit of the party lotteries, directly or indirectly, except that each party lottery shall be liable for its proportionate shares of prize moneys and operational costs as specified in paragraphs 6 and 7 of this agreement.

21. Compliance with MUSL standards is a prerequisite for MUSL membership. The board shall review the internal control procedures submitted by each lottery and vote upon whether or not each lottery's internal controls comply with MUSL standards as set forth in MUSL rules and regulations. If MUSL incurs a prize liability under this provision due to the error of a lottery whose internal control procedures have been approved and the error was not due to a contractor's actions or omission, the party lottery will pay to the prize winner the disputed prize or \$1,000,000 whichever is less at the direction of the board. Upon the payment herein before outlined, MUSL will indemnify and hold harmless each member lottery for any additional liabilities relating to the MUSL prize payments. In addition, it is recognized that \$1,000,000 may not be enough to cover the value of the prize liability incurred, and a prize reserve fund will be established to enable MUSL to fund the difference between this amount and the actual prize liability. In addition, the companies which operate online gaming systems on behalf of the party lotteries will be required to have some level of insurance to cover such liabilities in the event one of them makes a mistake.

If MUSL incurs any liability as the result of the acts of a party contractually obligated to the member lottery, that lottery shall pursue all contractual and legal remedies available to it under the contract. Any money recovered by the lottery will be turned over to MUSL up to the amount expended by MUSL as a result of the error. A lottery's pursuit of its contractual and legal remedies against the party at fault is that lottery's only obligation to MUSL in the event of a MUSL loss.

The MUSL shall establish and then maintain a prize reserve fund solely for the purpose of indemnifying the member lotteries. The board will determine the manner in which the prize reserve fund is to be invested and interest earned on the fund will become part of the fund if the fund balance is below the ceiling amount designated by the board. Interest earned on the fund when the fund balance is not below the ceiling amount will be treated as prize money.

22. That no lottery shall be allowed to join the MUSL without the consent of  $\frac{2}{3}$  of the party lotteries voting pursuant to both methods of voting. The board will designate the terms which must be met by a lottery seeking admission, including but not limited to, setting the amount which the lottery must contribute

to the MUSL prize reserve fund. This paragraph is not applicable to the lotteries listed in this first paragraph of this agreement provided that they sign this agreement by October 1, 1987.

23. That this agreement may be executed in as many counterparts, as there are party lotteries. When so executed each shall be deemed to be an original and such counterparts together shall constitute one and the same agreement.

24. That all notices required to be sent to a party lottery pursuant to this agreement shall be in writing and sent by certified mail, return receipt requested at the addresses appearing hereunder or any other address which may be given from time to time to the board.

Sec. 2. The executive director of the Kansas lottery or the executive director's designee shall represent this state on the multistate lottery board of directors.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body January 21, 1988.

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

Passed the HOUSE January 27, 1988.

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

APPROVED January 27, 1988.

MIKE HAYDEN  
*Governor.*

STATE OF KANSAS  
Office of Secretary of State

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

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 27th day of January, 1988.

BILL GRAVES  
*Secretary of State.*

(SEAL)

**KANSAS REGISTER**  
**Secretary of State**  
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