

KANSAS REGISTER



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BILL GRAVES
Secretary of State

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IN THIS ISSUE . . .

Page

Attorney General

Opinions No. 88-19 through 88-22 226

State Board of Technical Professions

Notice of Meeting 227

State Corporation Commission

Notice of Hearing on Reasonable Market Demand for Natural Gas 227

Notice of Application to Waive Monthly Docket Procedures 227

Kansas Water Office

Notice of Meetings on the State Water Plan 228

Kansas Turnpike Authority

Notice to Bidders 228

Notice to Bidders for State Purchases 229

State Board of Education

Notice of Available Federal Funding for Adult Basic Education 230

Legislative Bills Introduced February 11-17 230

Secretary of State

Notice of Corporations Forfeited 231

Department of Transportation

Notice to Contractors 237

Department of Health and Environment

Notice Concerning Kansas Water Pollution Control Permit 238

Temporary Administrative Regulations

Department of Health and Environment 239

Social and Rehabilitation Services 256

New State Laws

Senate Bill 264, concerning medical assistance 274

Notice of Bond Redemption

Riley County 279

Geary County 280

City of South Hutchinson 280

City of Junction City 281

Finney County 281

City of Horton 282

Cowley County 282

Notice of Bond Sale

City of Lawrence 283

U.S.D. 202, Wyandotte County 285

State of Kansas

ATTORNEY GENERAL

Opinion No. 88-19

Public Health—Local Boards of Health; Clinics—County Health Funds; Increase in Levy. Stanley C. Grant, Ph.D., Secretary, Department of Health and Environment, Topeka, February 11, 1988.

K.S.A. 1987 Supp. 65-204(d) excepts from the aggregate tax levy limitations contained in K.S.A. 79-5001 to 79-5016 any tax levy increase over previous levies, *i.e.* those authorized prior to the 1986 amendment to K.S.A. 65-204. Cited herein: K.S.A. 1987 Supp. 65-204(d); K.S.A. 79-5001; 79-5016; 79-5017; K.S.A. 1987 Supp. 79-5037. TMN

Opinion No. 88-20

Drainage and Levees—Watershed Districts; Governing Body—Election of Directors at Annual Meeting; Report of Financial Condition and Activities. Thomas L. Toepfer, Attorney for Wet Walnut Creek Watershed Joint District No. 58, Hays, February 11, 1988.

In preparing the annual report prescribed by K.S.A. 1987 Supp. 24-1211, the board of directors of a watershed district must separately evaluate each of the district's projects in regard to the public interest and make a determination relative thereto. Additionally, in determining whether a project is in the public interest, the board is to consider the interest of all persons in the district. Cited herein: K.S.A. 24-1201; K.S.A. 1987 Supp. 24-1211. TRH

Opinion No. 88-21

Probate Code—Care and Treatment For Mentally Ill Persons—Voluntary Admission to Treatment Facilities; Disclosure of Admission to Minor's Parent. Senator

Nancy Parrish, 19th District, Topeka, February 16, 1988.

When a minor 14 years of age or older makes application for voluntary admittance to a mental health care facility, the head of the facility or his designee must promptly notify the minor's parent or other person *in loco parentis*, even over the objection of the minor. The statutes do not require that a parent give consent prior to admission or treatment. Cited herein: K.S.A. 1987 Supp. 59-2902(g); 59-2905; K.S.A. 1987 Supp. 59-2907. MWS

Opinion No. 88-22

Public Health—Healing Arts; Kansas Healing Arts Act—Exempt Licensees; Not Defined as Health Care Provider. Stanley C. Grant, Ph.D., Secretary, Department of Health and Environment, Topeka, February 17, 1988.

Physicians employed by the Kansas Department of Health and Environment may be eligible for exempt licensure within the limitations of K.S.A. 1987 Supp. 65-2809 and the regulations of the Board of Healing Arts. A KDHE employee who has been issued an exempt license, so far as the limitations of the license are not exceeded, is not a health care provider within the meaning of the tort claims act. Therefore, such an employee/licensee who becomes a defendant in a civil action for damages arising out of the scope of employment is eligible for legal defense provided by the state pursuant to, and subject to the limitations of, the tort claims act. Cited herein: K.S.A. 1987 Supp. 40-3401; 65-2809; 75-6108; K.S.A. 75-6115; K.A.R. 100-10a-4. MWS

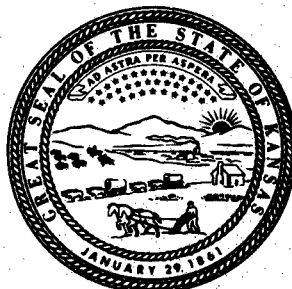
ROBERT T. STEPHAN
Attorney General

Doc. No. 006234

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Phone: (913) 296-3489

State of Kansas

BOARD OF TECHNICAL PROFESSIONS**NOTICE OF MEETING**

The State Board of Technical Professions will meet at 11 a.m. Friday, March 4, in the board office, Suite 507, Landon State Office Building, 900 S.W. Jackson, Topeka. The meeting is open to the public.

BETTY ROSE
Executive Secretary

Doc. No. 006241

State of Kansas

STATE CORPORATION COMMISSION**NOTICE OF HEARING**

The State Corporation Commission has directed that an investigation be instituted and a hearing held to determine the reasonable market demand for gas produced from the pools listed below for the period extending from April 1, 1988 through September 30, 1988; to determine the deliverability and acreage attributable to each of the wells; and to fix gas production percentages and quotas for the wells within the pools. Evidence will be received at the hearing for the above purposes and for determining and fixing the allowables for each of the wells in the following pools during the proration period.

- Beauchamp South Middle Morrow gas pool in Morton and Stanton counties
- Corastone (Lower Wabaunsee) pool in Sumner County
- Gentzler (Lower Morrow) Mississippi gas pool in Stevens County
- Glick (Mississippi) gas pool in Barber, Comanche and Kiowa counties
- Greenwood gas field in Morton County
- Harding (Indian Cave) gas pool in Barber and Pratt counties
- Harding West gas pool in Barber and Pratt counties
- Hugoton gas field in Finney, Grant, Gray, Hamilton, Haskell, Kearny, Morton, Seward, Stanton, Stevens and Wichita counties
- ILS Southwest (Douglas Sand) gas pool in Barber County
- Komarek Indian Cave gas field in Kingman County
- McKinney East Mississippi gas pool in Clark County
- Negro Creek (Indian Cave) in Kingman County
- Panoma Council Grove gas filed in Finney, Grant, Hamilton, Haskell, Kearny, Morton, Seward, Stanton, Stevens and Wichita counties
- Perry Ranch Northwest (Cherokee-Mississippi) gas pool in Comanche County
- Richfield (Morrow Sand) Gas pool in Morton County
- Salley (Lower Morrow) gas pool in Seward County
- Shepherd conglomerate field in Stafford County
- Sparks (Keyes Sand) gas pool in Stanton and Morton counties
- Sullivan (Douglas) gas pool in Harper County
- Sullivan (Lower Stalnaker) gas pool in Harper County
- Sullivan (Upper Stalnaker) gas pool in Harper County
- Wall-Mississippi gas pool in Harvey County

—Zenith-Peace Creek (Mississippi) gas pool in Reno County

—Zerger North East Douglas field in Kingman County

The hearing will be conducted at 9 a.m. Thursday, March 24, at the Conservation Division hearing room, 300 Colorado Derby Building, 202 W. 1st, Wichita. All transporters of gas produced from the above pools must furnish the commission their nominations from the pools for the calendar months included in the above proration period.

Questions should be directed to Ann T. Rider, Assistant General Counsel, State Corporation Commission, Conservation Division, 202 W. 1st, Wichita 67202, (316) 263-3238.

JUDITH McCONNELL
Executive Director

Doc. No. 006229

State of Kansas

STATE CORPORATION COMMISSION**NOTICE OF APPLICATION TO WAIVE MONTHLY DOCKET PROCEDURES**

An application was filed before the State Corporation Commission on its own motion to waive monthly docket procedures relating to the filing of applications pursuant to K.A.R. 82-3-109(b), 82-3-140(b) and 82-3-300(b).

The commission believes it is unnecessary to continue filing conservation applications, testimony and exhibits for the commission's monthly oil and gas docket in its Topeka office. Therefore, beginning with applications filed for the May 1988 docket, an original and four copies of the application shall be filed in its Wichita Conservation Division office only. Docket numbers will also be assigned by the Wichita office.

Any person or corporation affected by this application can apply for a hearing before the commission. Such protest must be received by the State Corporation Commission, 202 W. 1st, Wichita 67202, within 15 days of this publication. If a protest is received, the matter will be set for hearing March 24 in the Wichita office hearing room. If no protest is received, the matter will be granted without a hearing.

ANN T. RIDER
Assistant General Counsel

Doc. No. 006249

State of Kansas

KANSAS WATER OFFICE**NOTICE OF MEETINGS
ON STATE WATER PLAN**

The preliminary draft of the fiscal year 1990 Kansas Water Plan is scheduled for discussion at 12 informal public meetings to be held across the state. The focus of attention this year will be on modifications to the minimum desirable streamflow section and a review of the status of basin plan implementation. Public comments on these sections and on any other water matters are encouraged. An executive summary containing complete text of the preliminary drafts will be available free of charge from the Kansas Water Office, 109 S.W. 9th, Suite 200, Topeka 66612-1215, (913) 296-3185.

The statewide public meetings on the plan are scheduled as follows:

- | | |
|----------|---|
| March 7 | 7 p.m., Liberal, Seward County Community College Student Union Conference Room
7:30 p.m., Colby, Colby Community Junior College |
| March 8 | 7 p.m., Garden City, City Coop, 106 N. 6th
7:30 p.m., Hays, Fort Hays Experiment Station Auditorium |
| March 9 | 7 p.m., Hutchinson, Chamber of Commerce, 309 N. Main
7:30 p.m., Osborne, 1st State Bank, Basement Meeting Room |
| March 10 | 7:30 p.m., Manhattan, Kansas State University Student Union, Room 207
7:30 p.m., Burlington, High School Community Room |
| March 14 | 7 p.m., Independence, City Hall, Commission Room
7:30 p.m., Ottawa, County Court Building, Basement Meeting Room |
| March 15 | 7:30 p.m., Hiawatha, Hiawatha Inn, Intersection of U.S. Highways 36 and 73
7:30 p.m., El Dorado, Butler County Community College, Purple and Gold Room |

Based on the ideas and comments generated from these informal public meetings, the FY 1990 plan will be revised, as necessary, prior to the public hearings later this year. The public hearings will provide an opportunity for formal input by groups and individuals who wish to comment on the plan.

Following the public hearings, the plan will be presented to the Kansas Water Authority for approval. The approved plan will then be submitted to the Governor and Legislature for implementation in fiscal year 1990.

JOSEPH F. HARKINS
Director

Doc. No. 006240

State of Kansas

KANSAS TURNPIKE AUTHORITY**NOTICE TO BIDDERS**

The Kansas Turnpike Authority is inviting sealed proposals for the construction and long-term operation of a restaurant facility at the Emporia Service Area, where the existing restaurant facility is to be demolished. The successful bidder will be required, at its expense, to design, build and operate a restaurant facility appropriate for interstate highway travelers at that location. This includes oversized restrooms and dining areas with sufficient capacity and personnel to service KTA holiday traffic.

Proposals should provide information as to building design, seating capacity, square footage, food products, and services available to Turnpike customers and other details as to provide complete details of the nature and quality of service contemplated. This proposal will be known as KTA Contract No. 1400. The service area at Emporia is subject to a service station contract between the Authority and Pester Marketing Company. Therefore, the successful bidder will not be allowed to provide fuel or other service station items in violation of the Pester contract.

Fact sheets, instructions to bidders, and a proposed contract will be on file beginning Friday, February 26 and may be obtained at the office of R. D. Fogo, Chief Engineer-Manager, Kansas Turnpike Authority, 9401 E. Kellogg, Wichita. The documents also may be examined in the office of the Kansas Turnpike Authority, 3939 Topeka Blvd., Topeka, or the Lyon County Clerk, Emporia.

Sealed proposals will be received until 10 a.m. March 14, at which time they will be publicly opened. Proposals must be accompanied by a bid bond or cashier's check in the amount of \$5,000, made payable to the Kansas Turnpike Authority as a guarantee that the bidder will enter into a contract and give a performance bond as required if awarded the contract. The award of contract shall be based on the proposal which in the opinion of the Authority provides the most suitable building and amenities with the highest level of service at the most competitive prices for Turnpike customers.

Sealed proposals should be mailed to Kansas Turnpike Authority, P.O. Box 780007, Wichita 67278, or delivered to KTA headquarters at 9401 E. Kellogg, Wichita.

The Authority reserves the right to reject any or all bids and to waive any irregularity therein, and to determine which is the responsible bid most suitable to the Authority.

KANSAS TURNPIKE AUTHORITY
R. D. Fogo, Chief Engineer-Manager

Doc. No. 006248

State of Kansas

DEPARTMENT OF ADMINISTRATION
DIVISION OF PURCHASES

NOTICE TO BIDDERS

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

Monday, March 7, 1988

#26458

University of Kansas Medical Center—SECURITY
GUARD SERVICES, School of Medicine, Wichita

#26991

Statewide—MEDICAL GASES

#27767

University of Kansas Medical Center—FETAL
MONITOR RENTAL

#72898

Kansas State University—BROADCAST A/V
EQUIPMENT

#72911

Kansas State University—MULTIPLEXERS

#72912

Kansas State University—SOFTWARE

#72913

Kansas State Penitentiary—PLUMBING
MATERIALS

Tuesday, March 8, 1988

#A-5607

University of Kansas—CURTAIN WALL
REMODELING, Summerfield Hall

#A-5896

Department of Human Resources—INTERIOR
LIGHTING FIXTURES, Wichita E&T/U 1 Building,
Wichita

#27600

University of Kansas Medical Center—PERIODIC
MAINTENANCE OF LAMINAR AIR FLOW ROOMS

#72921

Department of Wildlife and Parks—REPAINT
WATER TOWER, Pratt

#72922

Kansas State University—GRAIN

#72928

Wichita State University—REPLACE DAMAGED
TUBES IN ABSORPTION CHILLER

#72929

Department of Social and Rehabilitation Services—
BLOWER DOORS

Wednesday, March 9, 1988

#26986

Statewide—ACETYLENE, OXYGEN AND LIQUID
NITROGEN

#72920

Kansas State Penitentiary—TOBACCO

#72938

Kansas Correctional Industries—NORTHERN HARD
MAPLE

#72948

University of Kansas—CARPET AND TILE
INSTALLATION

#72949

University of Kansas—AIR FILTERS

Thursday, March 10, 1988

#27527

Statewide—LARGE, PHOTO AND STAGE STUDIO
LAMPS

#27580

Statewide—CEREALS

#72916

Department of Administration, Division of
Architectural Services—FURNISH AND INSTALL
COOLING TOWER

#72954

Kansas State University—COPY/DUPLICATING
SYSTEM

#72956

Parsons State Hospital and Training Center—
WARDROBE STORAGE CABINETS

#72968

Department of Transportation—TESTING
EQUIPMENT (NUCLEAR)

#72969

Department of Transportation—LAB BALANCES

Friday, March 11, 1988

#72976

Department of Transportation—WELDERS, various
locations

#72981

University of Kansas Medical Center—LAB
CENTRIFUGE

#72982

Kansas State Penitentiary—ROOFING SYSTEM,
MATERIALS ONLY

Monday, March 14, 1988

#26507

Department of Social and Rehabilitation Services—
ADULT CARE HOME RATE PROCESSING

Thursday, March 31, 1988

#72942

Department of Administration—
TELECOMMUNICATIONS SYSTEM, HaysNICHOLAS B. ROACH
Director of Purchases

Doc. No. 006239

State of Kansas

BOARD OF EDUCATION

NOTICE OF AVAILABLE FEDERAL FUNDING
FOR ADULT BASIC EDUCATION

Pursuant to assurances as set out in the current Kansas State Plan for Adult Basic Education, notification of available federal funding for this program is announced. These funds are authorized by Section 306 of Public Law 91-230, as amended.

The Adult Education Act provides federal financial assistance to states to expand educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic literacy skills necessary to function in society, enable adults 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. The state will fund local programs of education based on need and resources available. Applications will be accepted until May 20.

For further information and applications, contact Phil Thomas, Adult Education Specialist, Kansas State Department of Education, 120 E. 10th, Topeka 66612, (913) 296-3192.

DR. LEE DROEGEMUELLER
Commissioner of Education

Doc. No. 006236

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 February 11-17:

House Bills

HB 2954, by Committee on Transportation: An act relating to airport zoning; providing for notification to the secretary of transportation; amending K.S.A. 3-705 and repealing the existing section.

HB 2955, by Committee on Insurance (by request): An act relating to insurance; concerning regulation of title insurance rates; amending K.S.A. 40-1111 and repealing the existing section.

HB 2956, by Committee on Federal and State Affairs: An act concerning alcoholic liquor; relating to temporary memberships in certain clubs; amending K.S.A. 1987 Supp. 41-2641 and repealing the existing section.

HB 2957, by Committee on Federal and State Affairs: An act concerning the Kansas national guard; relating to pay and allowances; amending K.S.A. 48-225 and repealing the existing section.

HB 2958, by Committee on Economic Development: An act concerning the regulation, supervision and control of radio common carriers and radio communications by the state corporation commission; amending K.S.A. 1987 Supp. 66-104a, 66-1,143, and 66-1,145 and repealing the existing sections; also repealing K.S.A. 1987 Supp. 66-1,144.

HB 2959, by Committee on Economic Development: An act relating to financing of certain facilities or improvements by municipalities; concerning use of countywide and city retailers' sales tax proceeds; amending K.S.A. 1987 Supp. 12-195 and repealing the existing section.

HB 2960, by Committee on Labor and Industry: An act concerning the minimum wage and maximum hours law; increasing the minimum wage; amending K.S.A. 44-1203 and repealing the existing section.

HB 2961, by Committee on Judiciary: An act concerning insurance; allowing subrogation clauses in insurance contracts.

HB 2962, by Committee on Federal and State Affairs: An act concerning licensure of plumbers by cities and counties; amending K.S.A. 1987 Supp. 12-1509 and repealing the existing section.

HB 2963, by Committee on Local Government: An act concerning fire safety and prevention; affecting the definition of school building for the purposes thereof; amending K.S.A. 31-144 and repealing the existing section.

HB 2964, by Committee on Agriculture and Small Business: An act concerning scales; providing for the regulation of scale testing and service companies; amending K.S.A. 1987

Supp. 83-301, 83-302, 83-303, 83-304, 83-305, 83-306, 83-308, 83-309 and 83-310 repealing the existing sections.

HB 2965, by Committee on Agriculture and Small Business: An act regulating testing services for dispensing devices; providing for the testing of liquefied petroleum dispensing devices; amending K.S.A. 1987 Supp. 83-401, 83-402, 83-404, 83-405, 83-406, 83-407 and 83-409 and repealing the existing sections.

HB 2966, by Committee on Agriculture and Small Business: An act relating to the farm assistance, counseling and training referral program; amending K.S.A. 1987 Supp. 74-545 and repealing the existing section.

HB 2967, by Committee on Agriculture and Small Business: An act concerning the Kansas wheat commission; relating to the terms of members thereof; amending K.S.A. 2-2603 and repealing the existing section.

HB 2968, by Committee on Judiciary: An act concerning Kansas advocacy and protective services, inc.; amending K.S.A. 74-5515 and K.S.A. 1987 Supp. 65-5603 and repealing the existing sections.

HB 2969, by Committee on Transportation: An act relating to railroads; concerning certain penalties; amending K.S.A. 66-274 and repealing the existing section.

HB 2970, by Committee on Transportation: An act concerning motor vehicles; relating to elevated vehicles; amending K.S.A. 1987 Supp. 8-2118 and repealing the existing section.

HB 2971, by Committee on Insurance: An act relating to insurance; concerning rate making with respect to certain insurers; providing requirements for certain insurers upon cessation of business in the state; amending K.S.A. 40-928, 49-929 and 40-1113 and K.S.A. 1987 Supp. 40-927 and 40-1112 and repealing the existing sections.

HB 2972, by Committee on Public Health and Welfare: An act concerning training of guide dogs and hearing assistance dogs; authorizing such dogs to accompany their trainers upon certain premises for training purposes.

HB 2973, by Committee on Local Government: An act concerning authorized emergency vehicles of certain fire departments; concerning right of way on highways; amending K.S.A. 80-1518 and 80-1906 and repealing the existing sections.

HB 2974, by Committee on Local Government: An act concerning counties; relating to sewers and sewer districts; amending K.S.A. 1987 Supp. 19-101a, 19-27,170, 19-27,171, 19-27,172 and 19-27a26 and repealing the existing sections.

HB 2975, by Committee on Energy and Natural Resources: An act concerning water; relating to the state water plan; amending K.S.A. 1987 Supp. 82a-903 and repealing the existing section.

HB 2976, by Committee on Appropriations: An act relating to the securities commissioner of the state of Kansas; concerning registration of broker-dealers, agents and investment advisers; fees; amending K.S.A. 1987 Supp. 17-1254 and repealing the existing section.

HB 2977, by Committee on Public Health and Welfare: An act concerning the state fire marshal; relating to procedures for reporting by health care providers of burn wounds; amending K.S.A. 31-133 and repealing the existing section.

HB 2978, by Committee on Public Health and Welfare: An act concerning infectious or contagious diseases; requiring that the body of a dead person who has died from an infectious or contagious disease be accompanied by a written notification of such information; providing confidentiality of certain information; establishing penalties for failure to comply with certain requirements.

HB 2979, by Committee on Pensions, Investments and Benefits: An act concerning the state health care benefits program; relating to a wellness program; imposition of certain charges and penalties; amending K.S.A. 75-6501 and 75-6506 and repealing the existing sections.

HB 2980, by Committee on Public Health and Welfare: An act concerning the cremation of dead human bodies; authorizing the disposition of unclaimed remains.

HB 2981, by Committee on Energy and Natural Resources: An act concerning municipalities; relating to franchises; amending K.S.A. 1987 Supp. 12-2001 and repealing the existing section.

Senate Bills

SB 636, by Committee on Education: An act concerning vocational education scholarships; affecting the administration of the act providing therefor; amending K.S.A. 1987 Supp. 72-4460, 72-4461, 72-4463, 72-4464 and 72-4465, and repealing the existing sections.

SB 637, by Committee on Agriculture: An act concerning the commodity commissions; increasing the soybean assessment to 20 mills; amending K.S.A. 1987 Supp. 2-3007 and repealing the existing section.

SB 638, by Committee on Transportation and Utilities: An act relating to commercial motor vehicle safety; amending K.S.A. 8-234a, 8-234b, 8-235b, 8-235c, 8-237, 8-251, 8-252, 41-804 and 41-2719 and K.S.A. 1987 Supp. 8-235, 8-243, 8-246, 8-247, 8-253, 8-254, 8-255, 8-256, 8-262, 8-288, 8-291, 8-1324, 8-1326, 8-1567, 8-2106, 8-2115, 12-4416 and 22-2909 and repealing the existing sections; also repealing K.S.A. 1987 Supp. 8-292.

SB 639, by Committee on Energy and Natural Resources: An act relating to public water supply systems; concerning the use of lead in the construction thereof; amending K.S.A. 65-171a and 65-171r and repealing the existing sections.

SB 640, by Committee on Judiciary: An act concerning civil procedure; amending K.S.A. 60-206 and 60-2103 and repealing the existing sections.

SB 641, by Committee on Economic Development: An act concerning municipalities; relating to the privatization of public services and facilities.

SB 642, by Committee on Financial Institutions and Insurance: An act relating to insurance; concerning extraordinary dividends and distributions of member insurers of insurance holding company systems; amending K.S.A. 40-3306 and repealing the existing section.

SB 643, by Committee on Federal and State Affairs: An act relating to state officers and employees; concerning a drug screening program for applicants for and current employees in safety sensitive positions in state government.

SB 644, by Committee on Federal and State Affairs: An act relating to public employer-employee relations; concerning application of certain laws relating thereto; amending K.S.A. 75-4321 and 75-4322 and repealing the existing sections.

SB 645, by Committee on Transportation and Utilities: An act relating to gas pipeline safety; concerning master metered facilities; authorizing investigation of natural gas-caused accidents; amending K.S.A. 66-1,150 and repealing the existing section.

SB 646, by Committee on Federal and State Affairs: An act concerning correctional institutions; relating to chief physicians for such institutions; amending K.S.A. 75-5249 and repealing the existing section.

SB 647, by Committee on Federal and State Affairs: An act concerning corrections; relating to inmate training programs; amending K.S.A. 1987 Supp. 75-5211 and repealing the existing section.

SB 648, by Committee on Federal and State Affairs: An act concerning the state reception and diagnostic center; amending K.S.A. 75-5262 and repealing the existing section.

SB 649, by Committee on Federal and State Affairs: An act concerning certain animal vaccine; prohibiting certain acts and providing penalties therefor; amending K.S.A. 1987 Supp. 21-1213 and repealing the existing section.

SB 650, by Committee on Governmental Organization: An act concerning the Kansas sunset law; continuing in existence the office of secretary of social and rehabilitation services and the department of social and rehabilitation services; amending K.S.A. 74-7252 and repealing the existing section.

SB 651, by Committee on Federal and State Affairs: An act concerning corrections; relating to work by certain inmates; amending K.S.A. 75-52,116 and repealing the existing section.

SB 652, by Committee on Economic Development: An act establishing a small business enterprise loan guarantee program and the small business enterprise loan guarantee fund; providing duties for an advisory council and the secretary of commerce.

SB 653, by Committee on Governmental Organization: An act concerning the Kansas

public broadcasting commission; relating to the powers, duties and functions thereof; amending K.S.A. 1987 Supp. 75-4907 and repealing the existing section.

SB 654, by Committee on Governmental Organization: An act relating to certain state officers and employees; concerning personnel of the state board of indigents' defense services; the division of printing and the division of architectural services; amending K.S.A. 75-1017, 75-1202a and 75-1202d and K.S.A. 1987 Supp. 22-4524 and repealing the existing sections.

SB 655, by Committee on Federal and State Affairs: An act relating to sales taxation; concerning sales of certain tangible personal property from vending machines; amending K.S.A. 1987 Supp. 79-3603 and 79-3606 and repealing the existing sections.

SB 656, by Committee on Public Health and Welfare: An act concerning the healing arts; relating to exempt licenses; amending K.S.A. 1987 Supp. 65-2909 and repealing the existing section.

SB 657, by Committee on Public Health and Welfare: An act concerning the state medical assistance program; establishing provider participation requirements and grounds for provider termination from the program.

SB 658, by Committee on Public Health and Welfare: An act concerning the treatment act for mentally ill persons; concerning the definition of treatment facility; amending K.S.A. 1987 Supp. 59-2902 and repealing the existing section.

SB 659, by Committee on Public Health and Welfare: An act relating to the secretary of health and environment; concerning the services for children with special health care needs program; amending K.S.A. 65-5a01, 65-5a05, 65-5a08, 65-5a10, 65-5a11, 65-5a12, 65-5a13, 65-5a14, 65-5a16, 75-5643 and 75-5644 and repealing the existing sections.

SB 660, by Committee on Public Health and Welfare: An act concerning the advisory council on aging; reducing the number of members thereon; amending K.S.A. 75-5911 and 75-5912 and repealing the existing sections.

SB 661, by Legislative Post Audit Committee: An act concerning the legislative post audit act; relating to audits of federal financial assistance to state agencies and other audit work; amending K.S.A. 46-1106, 46-1108, 46-1114, 46-1119, 46-1122 and 75-4256 and K.S.A. 1987 Supp. 46-1118, 46-1121 and repealing the existing sections; also repealing K.S.A. 46-1107.

SB 662, by Committee on Governmental Organization: An act relating to the legislature; concerning the prefilling of bills and resolutions; amending K.S.A. 46-801, 46-802, 46-803 and 46-804 and repealing the existing sections.

SB 663, by Committee on Governmental Organization: An act relating to plumbing; concerning the examination and certification of plumbers and plumbing contractors; amending K.S.A. 1987 Supp. 12-1510 and repealing the existing section, and also repealing K.S.A. 1987 Supp. 12-1508 and 12-1509.

SB 664, by Committee on Governmental Organization: An act relating to the legislature; concerning organizational, orientation and educational meetings of members and members-elect; concerning the organization and order of business of the houses of the legislature on the day of convening of certain regular sessions; amending K.S.A. 46-142, 46-144, 46-145, 46-146a and 46-157 and repealing the existing sections.

SB 665, by Committee on Financial Institutions and Insurance: An act relating to banks and banking; concerning authority of banks with respect to the acquisition of stock in bankers' banks and certain bank holding companies; amending K.S.A. 1987 Supp. 9-1101 and repealing the existing section.

SB 666, by Committee on Agriculture: An act concerning the grain inspection department; relating to fees; amending K.S.A. 34-103a and repealing the existing section.

SB 667, by Committee on Agriculture: An act concerning security interests; relating to farm products; amending K.S.A. 1987 Supp. 21-3734 and repealing the existing section.

SB 668, by Committee on Federal and State Affairs: An act relating to insurance; requiring mammogram and pap smear coverage to be offered for inclusion in certain health and accident policies; amending K.S.A. 40-19c09 and repealing the existing section.

SB 669, by Committee on Local Government: An act concerning water supply and distribution districts; relating to annexation of territory; amending K.S.A. 1987 Supp. 19-3512 and repealing the existing section.

House Resolutions

HCR 5045, by Committee on Economic Development: A concurrent resolution requesting and encouraging the Kansas Technology Enterprise Corporation to establish a center of excellence on swine production at Kansas State University, to be known as the Kansas Swine Center.

HR 6027, by Representative Lowther: A resolution congratulating and commending Emporia State University on its 125th anniversary.

HR 6028, by Representative Roper: A resolution congratulating and commending Karen Brady and Robert Blunk, Jr., on their artwork being selected to be exhibited in the KANSAS SEVEN Statewide Visual Arts Competition.

HR 6029, by Representatives Amos, Graeber, Jenkins and Ramirez: A resolution in memory of Sallie Margaret Zoll.

HR 6030, by Representative Graeber: A resolution congratulating and commending K-NEA on its 125th anniversary.

HR 6031, by Representative Cribbs: A resolution congratulating and commending Judith Burns McCrea on her artwork being awarded first prize in the KANSAS SEVEN Statewide Visual Arts Competition.

HR 6032, by Representatives Sand and Knopp: A resolution honoring Kansas State University on its 125th anniversary.

HB 6033, by Representative Bunten: A resolution congratulating and commending Wilfred "Willie" W. Nicklin on his 400th victory as a high school boys' basketball coach.

HR 6034, by Representative Pottorff: A resolution commending Ronald and Joyce Ray for their heroism in rescuing six young children from a house fire.

Senate Resolutions

SR 1815, by Senator Karr: A resolution congratulating and commending Emporia State University on its 125th anniversary.

SR 1816, by Senator Harder: A resolution recognizing July 18, 1988, as Farmers Alliance Mutual Insurance Company, McPherson, Kansas, Centennial Celebration Day in Kansas.

SR 1817, by Senator Reilly: A resolution congratulating and commending K-NEA on its 125th anniversary.

SR 1818, by Senator Werts: A resolution honoring Kansas State University on its 125th anniversary.

SR 1819, by Senator Anderson: A resolution commending Ronald and Joyce Ray for their heroism in rescuing six young children from a house fire.

SR 1820, by Senator Vidricksen: A resolution congratulating Mildred Holt on her 105th birthday.

Doc. No. 006247

State of Kansas

SECRETARY OF STATE

NOTICE OF FORFEITURE

In accordance with K.S.A. 17-7510, the articles of incorporation of the following corporations organized under the laws of the state of Kansas and the authority of the following foreign corporations to do business in the state of Kansas were forfeited January 15, 1988 for failure to file an annual report and pay the annual franchise tax, as required by the Kansas general corporation code.

Domestic Corporations

A & J Tool & Design Incorporated, Andover, KS.
 A. E. Incorporated, Topeka, KS.
 A.M. Development, Inc., Hays, KS.
 A.W.C. Manufacturing Co., Inc., Wichita, KS.
 A-1 Financial Corp., Wichita, KS.
 Accessories, Inc., Wichita, KS.
 Advanced Automotive Services, Inc., Mission, KS.
 Advanced Computer Design Engineering Systems, Inc., Olathe, KS.
 Advertising Survey & Circulation, Inc., Atchison, KS.
 Al Zaccarello Contractor, Inc., Pittsburg, KS.
 All About Wood, Inc., Olathe, KS.
 All American Mortgage, Inc., Shawnee, KS.
 All Seasons Tanning Salon, Inc., Wichita, KS.
 Ameri-Sign Systems, Inc., Coffeyville, KS.
 American Computer Systems, Inc., Prairie Village, KS.
 American Credit & Tracing Services, Inc., Overland Park, KS.
 American Intermodal International, Inc., Kansas City, KS.
 American Medical Administration Group, Inc., Shawnee Mission, KS.
 American Systems Group, Inc., Wichita, KS.
 Amigo, Inc., Overland Park, KS.
 Andy Anderson Excavating, Inc., Wichita, KS.
 Angelo's of America, Inc., Tulsa, OK.
 Anti-Pest Company, Inc., Manhattan, KS.
 Ar-Jen, Inc., Topeka, KS.
 Arch Design Corporation, Overland Park, KS.
 Ark River Valley Farms, Inc., Wichita, KS.
 Arnold E. Moskowitz and Associates, Inc., Shawnee Mission, KS.
 Arnold L. Tropp, P.A., Overland Park, KS.
 Arrow Property Management, Inc., Wichita, KS.
 Askins Construction Co., Pittsburg, KS.
 Aston, Inc., Kansas City, KS.
 At Your Service Professionals, Inc., Roeland Park, KS.
 Attishwin Institute, Wichita, KS.
 Avant Design Consultants, Inc., Wichita, KS.
 AVTF, Inc., Salina, KS.
 B and J Enterprises, Inc., Wichita, KS.
 B C N, Inc., Lakin, KS.
 B. J.'s Video, Inc., Wichita, KS.
 B.A.S.E., Inc., Manhattan, KS.
 B-C Enterprises, Inc., Cottonwood Falls, KS.
 Bacon Motors Inc., Salina, KS.
 The Bakery, Inc., Lindsborg, KS.
 Bananas, Inc., Overland Park, KS.
 Barney Cansler, C.P.A., P.A., Wichita, KS.

(continued)

- Barrier's Diamond Security, Inc., Wichita, KS.
 Barton Nelson, Inc., Shawnee Mission, KS.
 BBC, Inc., Calgary, Alberta, Canada.
 Bennett Land & Investment, Inc., Overland Park, KS.
 Best Used Cars, Inc., Wichita, KS.
 Bettis, Inc., Belleville, KS.
 Betts and Sons, Inc., Kansas City, KS.
 Bevan Motor Company, Hutchinson, KS.
 BJK Merchandising, Inc., Overland Park, KS.
 Black Acre Development Company, Inc., Leawood, KS.
 Bob Kellet Insurance Agency, Inc., Valley Center, KS.
 Bob Tway Golf, Inc., Wichita, KS.
 Boeppler & Son Construction Company, Inc.,
 Leavenworth, KS.
 Boeppler & Son Rentals, Inc., Leavenworth, KS.
 Bohi-Clark Plumbing & Heating, Inc., Olathe, KS.
 Bollinger Ltd., Chanute, KS.
 Boltz Trucking & Leasing, Inc., Morrill, KS.
 Boltz, Inc., Morrill, KS.
 Bonjour/Civil Engineers/Land Development Consultants,
 Lenexa, KS.
 Bowhay Tank Truck Service, Inc., Summerfield, KS.
 Branine Chevrolet Company, Inc., Mulvane, KS.
 Brass Lantern, Inc., Chanute, KS.
 Bridgman Corporation, Belleville, KS.
 Brittany Court Homes Association, Prairie Village, KS.
 Brosius & Meyer, Inc., Topeka, KS.
 Brown & Gollerkeri, M.D.'s, Internal Medicine, CHA,
 Prairie Village, KS.
 Brown Brothers, Inc., Americus, KS.
 Bruce L. Bundy, Inc., Overland Park, KS.
 BT Investments, Inc., Wichita, KS.
 Bureau of Lectures and Concert Artists, Inc.,
 Lawrence, KS.
 Burnett Brothers, Inc., Wichita, KS.
 Burt & Associates, Inc., Kansas City, MO.
 Busey & Tolle, Chartered, Wichita, KS.
 Business Center Development Corporation, Lenexa, KS.
 Butler County Real Estate, Inc., Augusta, KS.
 BXE Lease Corporation, Neodesha, KS.
 Bydesign, Inc., Overland Park, KS.
 Byrd Electric Corporation, Kansas City, KS.
 Callaghan Enterprises, Inc., Kansas City, KS.
 Callahan, Inc., Goodland, KS.
 Camike, Corp., Wellington, KS.
 Capps/Scroggin, Inc., Overland Park, KS.
 Carbondale Pet Clinic, P.A., Carbondale, KS.
 Cari, Inc., Fairview, KS.
 Carl E. Cornwell, P.A., Kansas City, KS.
 Cartwright Sales Enterprises, Inc., Olathe, KS.
 Casey's Business Systems, Inc., Great Bend, KS.
 Cavalier Club, Inc., Emporia, KS.
 Cellular Communications, Inc., Wichita, KS.
 Center City Inns, Inc., Topeka, KS.
 Central Air & Heating, Inc., Topeka, KS.
 Central Mills, Inc., Leawood, KS.
 Central Plains Commodity Corp., Garden City, KS.
 Central Printing Company, Buhler, KS.
 Century Conveyor, Inc., Prairie Village, KS.
 Century Distributors, Inc., Hutchinson, KS.
 Chang's, Inc., Wichita, KS.
 Chanute Health Resources, Inc., Topeka, KS.
 The Chase Corporation, Hutchinson, KS.
 Cherokee County Clay, Inc., Fort Scott, KS.
 Cherry Street Investment Company, Inc., Chanute, KS.
 Chesapeake American Limited Partnership L-1,
 Coffeyville, KS.
 Chesapeake American Limited Partnership L-2,
 Coffeyville, KS.
 Chesapeake American Limited Partnership 1-C,
 Coffeyville, KS.
 Chesapeake American Limited Partnership 2-C,
 Coffeyville, KS.
 Citizens Bankshares Incorporated, St. Francis, KS.
 City Life Publishing, Inc., Wichita, KS.
 Clark Electric Company, Inc., Chapman, KS.
 Clark Realty, Inc., Shawnee Mission, KS.
 Clark's Center, Inc., Wichita, KS.
 Classic Auto and Van Wash, Inc., Overland Park, KS.
 Cleo's Furniture, Inc., Augusta, KS.
 Clinton Trucking, Inc., Frontenac, KS.
 Cochran, Head, Logan, Rycken & Schmidt, P.A.,
 Kansas City, KS.
 Coffey County Abstract, Inc., Burlington, KS.
 Coffeyville Garden Apartments, Inc., Coffeyville, KS.
 Colorado Stone, Inc., Merriam, KS.
 Comfort, Inc., Liberal, KS.
 Community Communications Company, Iola, KS.
 Community Health Services, Incorporated,
 Overbrook, KS.
 Concordia Machine & Salvage, Inc., Concordia, KS.
 Condray and Associates, Inc., Holland, TX.
 Cone, Inc., Junction City, KS.
 Confederate Drilling Co., Inc., Wichita, KS.
 Construction Enterprises, Inc., Wichita, KS.
 Continental Builders, Inc., Merriam, KS.
 Continental Petroleum Exploration, Inc., Wichita, KS.
 Copeland Transportation Co., Inc., Wichita, KS.
 Copetrex Oil & Gas Co. Ltd. Ninth Program U.S. Ltd.,
 Topeka, KS.
 Corporate Coach of Lawrence Inc., Lawrence, KS.
 Country Cable 1984—I, L.P., Wichita, KS.
 Countryside Construction, Inc., Topeka, KS.
 Coventry Development, Inc., Wichita, KS.
 Crafts and Critters, Inc., Great Bend, KS.
 Craig/Stephenson Corporation, Wichita, KS.
 Crawford Farms, Inc., Lincoln Center, KS.
 Credit Car Corner Inc., Topeka, KS.
 Crest Antenna Systems, Inc., Thayer, KS.
 D D Q Inc., Leawood, KS.
 Dale Apartments, Inc., Coffeyville, KS.
 Daniels Petroleum & Development Inc., Elsmore, KS.
 David K. Duckers, P.A., Kansas City, KS.
 DBL.J., Inc., Iola, KS.
 DCW Properties, Ltd., Wichita, KS.
 Deb-Jon Enterprises, Inc., Overland Park, KS.
 Deem Associates, Inc., Wichita, KS.
 Dennis L. Horner, Chartered, Kansas City, KS.
 Desktop Typesetting and Graphic Arts, Inc.,
 Great Bend, KS.
 Dick Smith Motors, Inc., Paola, KS.
 The Domino Group, Inc., Prairie Village, KS.
 Don Manuel's, Inc., Chanute, KS.
 Don's Welding, Inc., Great Bend, KS.
 Donahower and Associates, Inc., Shawnee Mission, KS.

- Dorsey Health Mart, Inc., Haysville, KS.
 Double "5" Livestock, Inc., Oakley, KS.
 E & R Development Corp., Herington, KS.
 E.L.M. Street USA, Inc., Lawrence, KS.
 East-Side Community Grocery, Inc., Lawrence, KS.
 Edward J. Chapman, Jr., P.A., Leavenworth, KS.
 Emporia Street, L.P., Wichita, KS.
 EPS Equipment, Inc., Wichita, KS.
 Eslick Cleaning Center, Inc., Fredonia, KS.
 Estes Electronics, Incorporated, Salina, KS.
 Everything Grows, Inc., Leawood, KS.
 Executive Hills Style Shop, Inc., Overland Park, KS.
 Espresso U.S.A., Inc., Wichita, KS.
 F & S Truck Line, Inc., Bonner Spring, KS.
 Faith Well Service, Inc., Chanute, KS.
 Family Pets & Supplies, Inc., Derby, KS.
 Famous American University Shoes, Inc.,
 Overland Park, KS.
 Farmer & Associates, Inc., Wichita, KS.
 Farmer Oil Well Services, Inc., Russell, KS.
 Farmers Grain and Fuel Products, Inc., Liberal, KS.
 Fashions by Season, Inc., Prairie Village, KS.
 Federal Systems, Inc., Overland Park, KS.
 Fehring Enterprises, Inc., Holton, KS.
 Fiberglass Recreational Products, Inc., Minneapolis, KS.
 Finney County United Way, Inc., Garden City, KS.
 First Incorporated of Kansas, Inc., Mulvane, KS.
 Flatland Enterprises, Inc., Salina, KS.
 Flatlanders Ski, Inc., Mission, KS.
 Flint Hills Tire and Service, Inc., Emporia, KS.
 Floral Elegance, Inc., Wichita, KS.
 Flower Diamond House, Inc., Junction City, KS.
 Foot Care & Foot Wear, Inc., Mission, KS.
 The Formek Corporation, Wichita, KS.
 G.E.M. Construction, Inc., Ulysses, KS.
 G.M.T. Corporation, Lenexa, KS.
 Gans Company of Wichita, Wichita, KS.
 Geppetto's, Inc., Topeka, KS.
 Get It, Inc., Cawker City, KS.
 Givers, Inc., Wichita, KS.
 Goer Corporation, Wichita, KS.
 Gold Coast Homes and Management, Inc., Atchison, KS.
 Golden City Growth Associates, Inc., Topeka, KS.
 Golden Dragon, Inc., Wichita, KS.
 Goody Nook, Inc., Chanute, KS.
 Gor-Mac Construction Company, Overland Park, KS.
 Graham Petroleum, Inc., Wichita, KS.
 Grandy's Inc. of Kansas, Topeka, KS.
 Great American Foods, Inc., Wichita, KS.
 Great Bend Greenhouses, Inc., Great Bend, KS.
 Great Bend Music Company, Inc., Great Bend, KS.
 Great Bluestem Steel Company, Wichita, KS.
 Great Plains Distributing Company, Overland Park, KS.
 Great Plains Oil & Gas Exploration, Inc., LaCrosse, KS.
 Greg Seymour Insurance Agency, Inc., Ottawa, KS.
 Haden Construction Co., Inc., Wichita, KS.
 Hagman's Inc. (Emporia, Kansas), Pittsburg, KS.
 Hardage Construction Corporation, Wichita, KS.
 Hardage Enterprises, Inc., Wichita, KS.
 Hardage Hotel Corporation, Wichita, KS.
 Hardage Management Corporation, Wichita, KS.
 Hardesty and Sons Roofing, Inc., Kansas City, KS.
 Harry Bear's of Leavenworth, Inc., Lawrence, KS.
 Harry Bear's of Ottawa, Inc., Lawrence, KS.
 Harry Bear's, Inc., Lawrence, KS.
 Hart Medical Equipment, Inc., Wichita, KS.
 Hartman Homes, Inc., Wichita, KS.
 Health Group, Inc., Topeka, KS.
 Heartabs, Inc., Wichita, KS.
 Heloka Corporation, Independence, KS.
 Hi Plains Harvesting, Inc., Hutchinson, KS.
 Hixon Jewelers, Inc., Norton, KS.
 Hoist-Co, Inc., Baldwin City, KS.
 Holiday Pools of Kansas City, Inc., Shawnee Mission, KS.
 Homefinders, Inc., Lawrence, KS.
 Hospital Equipment Specialties, Inc., Wichita, KS.
 Hugh W. Gill, Jr., Inc., Fredonia, KS.
 Hughes Energy Group, Inc., Wichita, KS.
 Hutchinson Industrial Supply, Inc., Wichita, KS.
 Import Electrical Rebuilders, Inc. of Kansas,
 Great Bend, KS.
 Independence Gas Company, Inc., Coffeyville, KS.
 Inrex, Inc., Wichita, KS.
 Instruments, Inc., Wichita, KS.
 Internal and Laboratory Medicine Consultants, P.A.,
 Wichita, KS.
 Interstate Properties and Management Corporation,
 Atchison, KS.
 J. L. Strait Construction Co., Inc., Topeka, KS.
 J. R. Lawn, Inc., Wichita, KS.
 J. Riggs West, Inc., Manhattan, KS.
 Jack's Tile, Inc., Wichita, KS.
 Jako Enterprises, Inc., Shawnee, KS.
 James W. Hamersly, Co., Inc., Emporia, KS.
 Jandie Oil Company, Inc., Great Bend, KS.
 Jay L. Richardson, M.D., P.A., Overland Park; KS.
 JBS Inc., Leawood, KS.
 JC's Hair Styling, Inc., Olathe, KS.
 JD Vans, Inc., Topeka, KS.
 Jel-et, Inc., Meriden, KS.
 Jim Dandy, Inc., Kansas City, KS.
 Jim Grohusky Const. Co., Inc., Kansas City, KS.
 Jimbudd's, Inc., Mission, KS.
 Jimmy L. Ducey, D.O., P.A., Wellsville, KS.
 Joe D. Solscheid Insurance Agency, Inc.,
 Prairie Village, KS.
 John M. Stephenson Construction Co., Inc.,
 Overland Park, KS.
 John M. Stephenson Oil Co., Inc., Overland Park, KS.
 Johnny's Hickory House Bar-B-Q, Inc.,
 Overland Park, KS.
 Johnson Tabernacle Christian Methodist Episcopal,
 Wichita, KS.
 JW, Inc., Wichita, KS.
 K & A Leasing, Inc., Wichita, KS.
 K C & S, Inc., Caney, KS.
 K. C. Resources, Inc., Great Bend, KS.
 Kan-am Livestock Industries, Inc., Manhattan, KS.
 Kan-O-Co, Inc., Salina, KS.
 Kan-Oak Oil, Inc., Wichita, KS.
 Kansans for Pari-Mutuel, Inc., Topeka, KS.
 Kansas City Development Corporation,
 Overland Park, KS.
 Kansas City Investment Corporation, Overland Park, KS.

(continued)

- Kansas City Management Corporation,
Overland Park, KS.
- Kansas City Real Estate Corporation, Overland Park, KS.
- Kansas Greyhound Park, Inc., Abilene, KS.
- Kansas Investigation and Security Company, Inc.,
Wichita, KS.
- Kansas Petroleum Producers Corporation, Wichita, KS.
- Kar Construction Company, Inc., Wichita, KS.
- KCC Corp., Overland Park, KS.
- Kearny County Feeders, Inc., Lakin, KS.
- Keller Auto Service, Inc., Topeka, KS.
- Kelly Angle, Inc., Wichita, KS.
- Ken Bell Drywall Company, Inc., Wichita, KS.
- Kinyon Corporation, Topeka, KS.
- Kit Kat Inc., Wichita, KS.
- The Krane Marketing Company, Overland Park, KS.
- Krauss/Midwest Leather, Inc., Topeka, KS.
- Kroh Granada Associates II, Limited Partnership,
Kansas City, MO.
- Kroh-Granada Associates, Limited Partnership,
Kansas City, MO.
- Kump Land & Cattle Co., Inc., Oberlin, KS.
- Kustom Cabinets, Inc., Wichita, KS.
- L & L Development Corporation, Wichita, KS.
- L & W Engineering Co., Inc., Wichita, KS.
- Land Planning and Development, Inc., Hiawatha, KS.
- Larry Jones for Governor Committee, Inc., Wichita, KS.
- Larry S. Smith Real Estate, Inc., Lenexa, KS.
- Lawrence Hedge Oil Treatment, Inc., Hill City, KS.
- Learned's Prescription Shop, Inc., Manhattan, KS.
- Leaseland U.S.A., Inc., Wichita, KS.
- Leavenworth Properties, Inc., Prairie Village, KS.
- Lehr's Restaurant, Inc., Augusta, KS.
- Lew's Kis Photo, Inc., El Dorado, KS.
- Lewis & Clark, Inc., Kansas City, KS.
- Lewis Family Farms, Ltd., Hill City, KS.
- Lexa Corporation, Shawnee Mission, KS.
- Lexton-Ancira Incorporated, Dallas, TX.
- Li'l Bit O'Country, Inc., Wichita, KS.
- Liberty Capital Corporation, Tucson, AZ.
- Lido Villas Association, Inc., Mission, KS.
- Lido Villas II Association, Inc., Mission, KS.
- Linn-Bourbon Farm, Overland Park, KS.
- Load Line Ltd., Pittsburgh, PA.
- The Loggers, Inc., Great Bend, KS.
- Lopac Enterprises, Inc., Lawrence, KS.
- M & H Enterprises, Inc., Topeka, KS.
- M P & D, Inc., Great Bend, KS.
- M.H., Inc., Prairie Village, KS.
- Macan Enterprises, Inc., Overland Park, KS.
- Machine Design and Manufacturing Co., Inc.,
Wetmore, KS.
- Mahaska Heating and Air, Inc., Mahaska, KS.
- Management Development Sales Training, Inc.,
Lawrence, KS.
- Mankato Carbon Dioxide, Inc., Wichita, KS.
- The Mar Restaurant, Inc., Wichita, KS.
- Marina Point Second Limited Partnership, Wichita, KS.
- Marina Point Second, Inc., Wichita, KS.
- Mark IV of Ottawa, Inc., Ottawa, KS.
- Marketing and Consultant Services, Incorporated,
Wichita, KS.
- Maximum Mobile Storage Systems, Inc., Topeka, KS.
- May & Associates, Insurance, Inc. (A Close Corp.),
Topeka, KS.
- McCarter Truck Lines, Inc., Topeka, KS.
- McGuire, Inc., Ulysses, KS.
- MDC, Inc., Kiowa, KS.
- Medico Systems, Inc., Leawood, KS.
- Metanoia, Inc., Lawrence, KS.
- MGW, Inc., Wichita, KS.
- Michael R. Wallace, P.A., Overland Park, KS.
- Mid America Energy Company, Lebanon, MO.
- Mid-America Computer Management, Incorporated,
Lenexa, KS.
- Mid-America Insurance Services, Inc., (A Close Corp.),
Salina, KS.
- Mid-America Rare Coins, Inc., Kansas City, MO.
- Midwest Appraisal Company, Inc., Topeka, KS.
- Midwest Horizons, Inc., Las Vegas, NV.
- Midwest Investments Associates, Inc., Hutchinson, KS.
- Midwest Investors Corp., Topeka, KS.
- Midwest Polymers, Inc., Olathe, KS.
- Midwest Ski Shows, Inc., Wichita, KS.
- Midwestern Oil Producers, Incorporated, Topeka, KS.
- Miles Lakewood Village Nursing Center, Inc.,
Wichita, KS.
- Minikawe Investment Corporation, Wichita, KS.
- Mission Road Associates, L.P., Overland Park, KS.
- Mitch's Self Service Gas, Inc., Great Bend, KS.
- Mitchell, Inc., Hutchinson, KS.
- MJ's Inc., Wichita, KS.
- Mr. Parts, Inc., Overland Park, KS.
- Multiple Data Services, Inc., Leawood, KS.
- MWM Oil and Gas, Inc., Wichita, KS.
- MZ-TV, Inc., Topeka, KS.
- N R G Drilling, Inc., Liberal, KS.
- National Composites, Inc., Leawood, KS.
- National Recovery Systems, Ltd. of America,
Wichita, KS.
- Nautilus Software, Inc., Iola, KS.
- Nebco, Inc., Dodge City, KS.
- Nester Building Company, Inc., Kansas City, KS.
- New Concepts Inc., Wichita, KS.
- New Horizons Construction Inc., Mission, KS.
- New Horizons Development Corporation, Mission, KS.
- Ninth and Tenth Calvary Association, Wichita, KS.
- North Plains Oil Corporation, P.O. Box 728,
Hutchinson, KS.
- North Plaza Bancshares, Inc., Topeka, KS.
- North Plaza, Inc., Topeka, KS.
- North Rock Road, L.P., Wichita, KS.
- Northeast Oil and Gas Operators, Inc., Easton, KS.
- Norton Frickey & Associates, Chartered, Oberlin, KS.
- NPS Limited, Junction City, KS.
- The Oasis Corporation, Junction City, KS.
- OBOC Oil, Inc., Chanute, KS.
- Oil Products, Inc., Wichita, KS.
- Optical Technology Corporation, A Kansas Corporation,
Lawrence, KS.
- Orion Resources, Inc., Ellinwood, KS.
- Otto Ranch, Inc., Arlington, NE.
- Ozark Quik-Chek, Inc., Belton, MO.
- Pabco, Inc., Pittsburg, KS.
- Pacific Tokyo of Kansas, Inc., Prairie Village, KS.

Pandarama Pre-School Toddler Center Inc.,
 Kansas City, KS.
 Paradise of Kansas, Inc., Grandview Place, KS.
 Partners Inc., Mulvane, KS.
 Patrick J. Mulvenon & Associates, Inc.,
 Overland Park, KS.
 Patton Building Corp., Overland Park, KS.
 Paul Stewart Irwin Post #136, American Legion,
 Mulvane, KS.
 Pay Phones, Inc., Topeka, KS.
 Pearl Masonry, Inc., Kansas City, KS.
 Pebble Brook Farms, Inc., Ellinwood, KS.
 Perfusion, Inc., Shawnee Mission, KS.
 Personalized Systems, Inc., Topeka, KS.
 Petroleum Services, Inc., Olathe, KS.
 Phiron Enterprises, Inc., Wichita, KS.
 The Phoenix Company of Kansas, Inc., Topeka, KS.
 Phoenix Farms, Incorporated, McDonald, KS.
 PIR Inc., Lawrence, KS.
 Platt Employment Services, Inc., Overland Park, KS.
 Plaza Apartments, Inc., Coffeyville, KS.
 Pleasant Hills, Inc., Salina, KS.
 PM Acceptance Corporation, Topeka, KS.
 PMM, Inc., Pittsburg, KS.
 Polifka Farms Limited Partnership, Hays, KS.
 Post Rock Management Company Inc., Wichita, KS.
 Practical Reminders, Inc., Overland Park, KS.
 Pro-Drink, Inc., Valley Falls, KS.
 Professional Health Care, Inc., Derby, KS.
 Professional Systems Support, Inc., Overland Park, KS.
 Property Management Systems, Inc., Mission, KS.
 Quality Lawn & Landscape, Inc., Overland Park, KS.
 R. J. Sigler Construction, Inc., Leawood, KS.
 R.D. Blubaugh Freight Co., Inc., Chanute, KS.
 R.D. Innes, Inc., Lawrence, KS.
 Radiologic Resources, Inc.—Central States, Topeka, KS.
 Rain Master Sprinkler Company, Ltd., Wichita, KS.
 Rals, Inc., Wichita, KS.
 Randall Drilling Company, Inc., Great Bend, KS.
 Randolph Consulting, Inc., Topeka, KS.
 Rappard Financial Services, Inc., Topeka, KS.
 Realty Guaranty & Investments, Inc., Shawnee, KS.
 Remington Services, Inc., Great Bend, KS.
 Residential Services, Inc., Shawnee Mission, KS.
 Restaurant Management, Inc., Pittsburg, KS.
 Restaurant Services, Inc., Overland Park, KS.
 RMC Boat, Inc., Wichita, KS.
 Ron Bales, Inc., Emporia, KS.
 The Roxana Corporation, Great Bend, KS.
 Rundstrom and Company Inc., Canton, KS.
 Rustic Inn, Inc., Kansas City, KS.
 S & W Contractors, Inc., Pamona, KS.
 Salina Sports Medicine and Orthopedic Clinic, P.A.,
 Salina, KS.
 Sam Harvey Construction, Inc., Oskaloosa, KS.
 Sauder Industries, Inc., Emporia, KS.
 Schmitt Interiors, Inc., Hutchinson, KS.
 Security Alarm, Inc., Overland Park, KS.
 Sedan Harmonics, Inc., Sedan, KS.
 Sekan Leasing, Inc., Independence, KS.
 Semper Technology, Inc., Overland Park, KS.
 Senior Industrial Assoc., Inc., Overland Park, KS.
 Service Products Company, Inc., Prairie Village, KS.
 Sewa Video, Inc., Wichita, KS.
 Share Time Travel (Marketing) Inc., Lenexa, KS.
 Share Time Travel Inc., Lenexa, KS.
 Sharon's Ltd., Kensington, KS.
 Sharp, Bausch & Co. Chartered, Dodge City, KS.
 Shelton Enterprises, Inc., Colorado Springs, CO.
 Shoffners, Inc., Caldwell, KS.
 Showcase Video Service, Inc., Topeka, KS.
 Ski-Trac International Inc., Overland Park, KS.
 Solar Energy Control, Inc., Wichita, KS.
 South Topeka Redicare Physicians, P.A., Topeka, KS.
 Southwest Business Forms, Inc., Wichita, KS.
 Sports Management, Inc., Wichita, KS.
 Sports Products, Ltd. of Kansas, Topeka, KS.
 The Sportsman, Inc., Hillsboro, KS.
 Spotlight Marketing, Inc., Sarcoxie, MO.
 St. Elizabeth Seton House, Inc., Wichita, KS.
 State Auto Credit, Inc., Kansas City, KS.
 State Line Constructors, Inc., Lyons, KS.
 Sterling Body Shop, Inc., Sterling, KS.
 Stitched and Stuffed with Love, Inc., Leavenworth, KS.
 Strauss Airag, Inc., McCune, KS.
 Sun-Tana of Andover, Inc., Andover, KS.
 Sunflower Farms, Inc., Manhattan, KS.
 Sunflower Glass and Paint Co., Inc., Hutchinson, KS.
 Sunflower Masonry, Inc., Olathe, KS.
 Sunset Oil of Kansas, Inc., New York, NY.
 Sunworld Tanning Salon, Inc., Lenexa, KS.
 T & G Leasing, Inc., Hutchinson, KS.
 Tanks, Inc., of Kansas, Albuquerque, NM.
 Tarrant Electric Machinery Company, Inc., Wichita, KS.
 Tasty Holding Company, Inc., Lenexa, KS.
 Telerad, P.A., Overland Park, KS.
 Telstar Petroleum, Inc., Vancouver, British Columbia.
 Terra Tech, Inc., Wichita, KS.
 Thompson Insurance Group, Inc., Overland Park, KS.
 Titan Energy Enterprises, Inc., Emporia, KS.
 Tom Jones Properties, Inc., Overland Park, KS.
 Tom Quick Motors, Inc., Fort Scott, KS.
 Total Computer Services of Kansas City, Inc.,
 Overland Park, KS.
 The Tree House Inc., Topeka, KS.
 Triple H Oil Operations, Inc., Hays, KS.
 Truck Haven, Inc., Salina, KS.
 Turnco Machine Company, Inc., Wichita, KS.
 Two Star Communications, Inc., Topeka, KS.
 Tyler Street, L.P., Wichita, KS.
 U.S. Natural Gas Enterprises, Inc., Topeka, KS.
 Ulysses Feeders, Inc., Ulysses, KS.
 United Alternator Inc., Erie, KS.
 United Oil Co. Inc., Burlington, KS.
 United Osborne Inc., Osborne, KS.
 United Warehouse Company, Wichita, KS.
 V.I.C., Inc., Lenexa, KS.
 Vega Associates, Inc., Overland Park, KS.
 Ventures, Inc., Topeka, KS.
 Villas of Tamarind, Inc., Overland Park, KS.
 Wallace County Drugstore Co., Sharon Springs, KS.
 Watershed Distributing Incorporated, Douglass, KS.
 Werth Sales, Inc., Wichita, KS.
 West St. Equipment & Supply, Inc., Wichita, KS.
 West Star Truck Plaza, Inc., Hutchinson, KS.

(continued)

West Star, Inc., Hutchinson, KS.
 Wheatwood, Inc., Coffeyville, KS.
 White Haven, Inc., Overland Park, KS.
 Whole Foods Association, Wichita, KS.
 Willow Tree Looms, Inc., Mission, KS.
 Willow Wood Properties, Inc., Overland Park, KS.
 Wings Enterprises, Inc., Wichita, KS.
 Winter of Kansas, Inc., Ottawa, KS.
 The Wondergrow Corporation, Lawrence, KS.
 Woodard Farms, Inc., Loveland, CO.
 Woodfield Construction Company, Inc., Lawrence, KS.
 Woodfield Meadows-West Homes Association, Inc.,
 Lawrence, KS.
 Yankee Hill Kennels, Inc., Berryton, KS.
 Yong W. Kim, M.D., P.A., Topeka, KS.
 20th Century Energy, Inc., Lawrence, KS.

Foreign Corporations

A. B. Dick Products Company of Joplin, Mo.,
 Joplin, MO.
 Acquisition Resources, Inc., Kansas City, MO.
 Air Blast Products, Inc., Oklahoma City, OK.
 Allstate Motor Club, Inc., Northbrook, IL.
 Amber Refining, Inc., Durham, NC.
 Amberex Corporation, Abilene, TX.
 Amer-O-Matic Corporation, Wilmington, DE.
 America West Airlines, Inc., Tempe, AZ.
 American Cellular Telephone Corporation, Jackson, MS.
 American Home Shield Corporation, Santa Rosa, CA.
 American Penn Energy, Inc., Calgary, Alberta, Canada.
 American Splicecco, Inc., Norehead City, NC.
 Anspacher & Associates, Inc., Chicago, IL.
 Anspacher Securities, Inc., Chicago, IL.
 Asea Inc., White Plains, NY.
 Aviall of Texas, Inc., Dover, DE.
 Beal Equipment, Rocky Mountain, Inc., Denver, CO.
 Bertelsen Distributing Co., Inc., Chesterfield, MO.
 Bowsteel Corporation, Tuxedo, NY.
 Brody Records, Inc., Kansas City, MO.
 Builders & Constructors, Inc., Panama, KS.
 Burke Petroleum Corporation, Hutchinson, KS.
 Capitol Automotive Management, Inc.,
 Oklahoma City, OK.
 Carlson Petroleum Company, Dallas, TX.
 Carondelet Rehabilitation Centers of America, Inc.,
 Culver City, CA.
 CBP Resources, Inc., Dover, DE.
 Centennial Investment Company, Orlando, FL.
 Central Moloney Inc., Pine Bluff, AR.
 Chas. Todd Corporation, St. Louis, MO.
 Chrysler Capital Corporation, Greenwich, CT.
 Churchill Commodities, Ltd., Chicago, IL.
 Citicorp Diners Club, Inc., New York, NY.
 Cityvision, Inc., Carthage, MO.
 Coin-Op, Inc., Joplin, MO.
 Community Homecare Corporation, Kansas City, KS.
 Compton Foods Association, Kansas City, MO.
 Continental Carbonic Products, Inc., Bedford Park, IL.
 Continental Enterprises of Denver, Incorporated,
 Arvada, CO.
 Copetrex Inc., Calgary, Alberta, Canada.
 Corbin Equipment, Inc., Merriam, KS.
 D&K Financial Corporation, Wilmington, DE.

Daco Industries, Inc., Kansas City, MO.
 Daseke Management Company of America, Inc.,
 Westport, CT.
 Datatest, Inc., Livettown, PA.
 Decorating Industries Inc., Fort Worth, TX.
 Deutz-Allis Credit Corporation, Milwaukee, WI.
 Dick Henges & Associates, Inc., Kansas City, MO.
 Don & Ken, Inc., Enid, OK.
 E-Z Serve, Inc., Dallas, TX.
 E.J. Jansen Enterprises, Inc., Overland Park, KS.
 Eastern Frac Services Company, Chanute, KS.
 Ebsco Industries, Inc., Birmingham, AL.
 Eczel Corporation, San Francisco, CA.
 Empak Transportation Company, Woodcliff Lake, NJ.
 Energy Oil, Inc., Longmont, CO.
 Ever-Green Lawns Corporation, St. Charles, MO.
 Fabrimetrics, Inc., San Juan Cap, CA.
 First Colorado Leasing Corporation, Denver, CO.
 Firstco Construction Company, Incorporated,
 Houston, TX.
 Foley Engineering and Construction, Inc.,
 Kansas City, MO.
 Folsom Distributing Co., Wood River, IL.
 Fostoria Glass Company, Lancaster, OH.
 Four Star Rentals of Missouri Inc., Kansas City, MO.
 FPC Mechanical Contractors, Inc., Kansas City, MO.
 G.C. Technical Services, Inc., Phoenix, AZ.
 G. P. Lee, Inc., Lefors, TX.
 Gemini Engine Company, Corpus Christi, TX.
 George Electric, Inc., Raymore, MO.
 Georgetown Home Health Care, Inc., Kansas City, MO.
 Gibson & Bowles, Inc., Lee's Summit, MO.
 GKM, Inc., Tulsa, OK.
 Global Frontier Petroleum Corp., Waltham, MA.
 Great Plains Chemical Company of Kansas, Inc.,
 Fremont, NE.
 Guaranty Service Corporation, Dallas, TX.
 Gwintec, Inc., Lilburn, GA.
 H & W Underwriters Agency, Inc.,
 Shawnee Mission, KS.
 Hamilton, Bohner & Van Vleck, Inc., Englewood, CO.
 Hardage Corporation, Wichita, KS.
 Hooper-Holmes, Inc., Basking Ridge, NJ.
 Howard Johnson Franchise Systems, Inc., Braintree, MA.
 Industrial Expositions, Inc., Denver, CO.
 Integral Construction Services, Inc., Blue Springs, MO.
 Integrity Credit Corporation, St. Louis, MO.
 International Mill Service, Inc., Philadelphia, PA.
 International Portfolios, Inc., San Francisco, CA.
 J. M. Resources Incorporated, Denver, CO.
 J. W. Gant & Associates, Inc., Englewood, CO.
 J.W. Kitchen Korner, Inc., Kansas City, MO.
 Jaco, Inc., Beatrice, NE.
 Joe Booth, Inc., Kansas City, MO.
 John E. Moats & Associates, Inc., Kansas City, MO.
 K.G.D. Enterprises, Ltd., Broken Arrow, OK.
 K-Bob's, Inc., Dallas, TX.
 Kansas City Presort, Inc., N. Kansas City, MO.
 Karam Investment Corp., Enid, OK.
 Ketterman's, Inc., Dallas, TX.
 Kit Karson Corporation, Spokane, WA.
 Klein-Slosburg Development Co., Shawnee Mission, KS.
 Land O'Lakes, Inc., Arden Hills, MN.

Lee Technical Services, Inc., Phoenix, AZ.
 Lewis & Ellis, Inc., Richardson, TX.
 Logan County Crude Company Purchasing, Inc.,
 El Dorado, KS.
 LSG's Paper Warehouse, Inc., Eden Prairie, MN.
 Marine Midland Automotive Financial Corporation,
 Buffalo, NY.
 Marketing One Securities, Inc., Sacramento, CA.
 Medical Support Systems, Inc., Fenton, MO.
 Methanol Production Corporation, Lakewood, CO.
 Michael Yakimo, Jr., Attorney at Law, P.C.,
 Overland Park, KS.
 Mid-America Exotic Auto Sales, Inc., Kansas City, MO.
 Mid-South Microwave, Inc., St. Louis, MO.
 Mountain Pacific Resources, Corp., Ranchester, WY.
 Murray International Inc., Greenwich, CT.
 NIDC Asset Management, Inc., Los Angeles, CA.
 NIDC Housing Corporation, Los Angeles, CA.
 O. H. Materials Corp., Findlay, OH.
 Occidental Electrochemicals Corporation, Cleveland, OH.
 Omni Outdoor Advertising of Missouri, Inc., Atlanta, GA.
 One Thirty, Inc., Des Moines, IA.
 Oswego Oil and Gas, Inc., Oswego, KS.
 Parkem Industrial Services, Inc., Houston, TX.
 Planned Interiors, Inc., Maryland Heights, MO.
 Precision Visuals, Inc., Boulder, CO.
 Prestige Cleaners, Inc., Kansas City, MO.
 Price Security Agency, Inc., Kansas City, MO.
 Richard Mather Builders, Inc., Kansas City, MO.
 Ringneck Resources, Inc., Hill City, KS.
 River View Manufactured Homes, Inc.,
 Newport Beach, CA.
 Robinson's Shoe Racks, Inc., Overland Park, KS.
 Rollings Construction Inc., Tulsa, OK.
 Rollins Protective Services Company, Atlanta, GA.
 Rosie's Bakery & Deli, Inc., Kansas City, MO.
 Sal Contract & Supply, Inc., Denver, CO.
 Scaffolding Rental & Erection Service, Inc.,
 Baton Rouge, LA.
 Scott Control Systems Corp., Shawnee Mission, KS.
 Sealy Mattress Company of Kansas City, I,
 Kansas City, KS.
 Security Properties Capital Corporation, Seattle, WA.
 Sharp Enterprises, Inc., Overland Park, KS.
 Shawnee Evans Co., Lenexa, KS.
 Shelby Automobiles, Inc., Whittier, CA.
 Showtime/The Movie Channel Inc., New York, NY.
 Sloan Enterprises, Inc., Kansas City, MO.
 South Country Builders, Inc., Jenks, OK.
 Southern Group, Inc., Topeka, KS.
 Standard Insulations, Inc., Kansas City, MO.
 Stanley Smith Security, Inc., San Antonio, TX.
 Stephfield Oil and Gas, Inc., Ponca City, OK.
 Sterile Design, Inc., Clearwater, FL.
 Sun Operating Limited Partnership, Topeka, KS.
 Super 8 of Beulah, Incorporated, Valley City, N.D.
 Syd Simons Kansas City, Inc., Chicago, IL.
 Taylor Moore, Inc., Liberty, MO.
 The Torbitt & Castleman Company, Buckner, KY.
 Travelers Express Company, Inc., Minneapolis, MN.
 Treasure Chest Advertising Company, Inc.,
 Glendora, CA.

Tri-H Industries, Inc., Neodesha, KS.
 Tunnel Form Contractors, Inc., Jenks, OK.
 Twin Eagle Petroleum Corporation, Tulsa, OK.
 TWP Enterprises, Inc., Omaha, NE.
 Uni-Guard Security Company, Kansas City, MO.
 Universal Dealer Services, Inc., El Toro, CA.
 W. W. Woodruff Construction Company, Inc.,
 Columbia, MO.
 Watts Excavating Company, Kansas City, MO.
 Weger Petroleum Corp., Dallas, TX.
 Western Energy Development Company, Inc.,
 Monument, CO.
 Western Resources, Inc., Vincennes, IN.
 Westwind Resources, Inc., Bethany, OK.
 Wheeler Investment, Inc., Kansas City, MO.

BILL GRAVES
 Secretary of State

Doc. No. 006228

State of Kansas

DEPARTMENT OF TRANSPORTATION

NOTICE TO CONTRACTORS

Sealed proposals for the construction of road and bridge work in the following Kansas counties will be received at the office of the Chief of Construction and Maintenance, K.D.O.T., Topeka, until 10 a.m. C.S.T. March 17, 1988, and then publicly opened:

DISTRICT ONE—Northeast

Jefferson—4-44 K-3025-02—K-4, Delaware River bridge 20 in Valley Falls, bridge repair. (Federal Funds)

Johnson—46 C-1703-01—County road, 1.0 mile north and 6.3 miles east of Spring Hill, then east, 0.2 mile, bridge replacement. (Federal Funds)

Johnson—46 C-1704-01—County road, 0.2 mile east of Stilwell, then east, 0.1 mile, bridge replacement. (Federal Funds)

Johnson—46 U-0985-01—Nall Avenue, 103rd to 97th in Overland Park, 0.8 mile, grading and surfacing. (Federal Funds)

Wyandotte—32-105 U-1072-01—K-32 and 68th/Kansas in Kansas City, intersection improvement. (Federal Funds)

DISTRICT TWO—Northcentral

Dickinson—4-21 K-2354-01—K-4, Lime Creek bridge 48, 1.0 mile east of the junction of K-4 and K-218, bridge replacement. (Federal Funds)

Geary—31 C-1932-01—County road, 5.0 miles south and 12.5 miles east of Junction City then southeast, 0.1 mile, grading and surfacing. (Federal Funds)

Lincoln—14-53 K-2362-01—K-14, Saline River bridge 7, 11.6 miles north of the Ellsworth-Lincoln county line, bridge replacement. (State Funds)

Lincoln—14-53 M-1498-01—K-14, west side of roadway 0.8 mile south of the junction of FAS 396, slide repair. (State Funds)

DISTRICT THREE—Northwest

Norton—36-69 K-2849-01—U.S. 36, Prairie Dog Creek bridge 8, 2.5 miles east of U.S. 283, bridge replacement. (Federal Funds)

(continued)

DISTRICT FOUR—Southeast

Bourbon—6 C-2490-01—County road, 1.0 mile west of Fort Scott at old U.S. 54, then south and east, 0.7 miles, surfacing. (Federal Funds)

Franklin—30 C-1218-01—County road, 4.4 miles east of Princeton, then east, 2.3 miles, grading. (Federal Funds)

Linn—69-54 K-2957-01—U.S. 69 bridge 9 over K-152, bridge painting. (State Funds)

Montgomery—63 C-1108-01—County road, 0.5 mile east of U.S. 169 south of Coffeyville, then east, 0.5 mile, grading and bridge. (Federal Funds)

DISTRICT FIVE—Southcentral

Cowley—18 U-1183-01—Kansas and "C" in Arkansas City, traffic signal. (Federal Funds)

Harper—39 C-2504-01—County road, 3.5 miles south and 10.5 miles west of Anthony, then west, bridge replacement. (Federal Funds)

Sumner—81-96 K-2963-01—U.S. 81, culvert 529, 3.0 miles south of the west junction of U.S. 160, culvert. (State Funds)

Sumner—96 C-1695-01—County road, 5.5 miles south and 1.0 mile west of Wellington, then west, 0.2 mile, bridge replacement. (Federal Funds)

DISTRICT SIX—Southwest

Scott—86 K-2493-01—Scott State Park, overlay. (State Funds)

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

Each bidder shall file a sworn statement executed by or on behalf of the person, firm, association or corporation submitting the bid, certifying that such person, firm, association or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the submitted bid. This sworn statement shall be in the form of an affidavit executed and sworn to by the bidder before a person who is authorized by the laws of the state to administer oaths. The required form of the affidavit will be provided by the state to each prospective bidder. Failure to submit the sworn statement as part of the bid-approval package will make the bid nonresponsive and not eligible for award consideration.

Plans and specifications for the projects may be examined at the office of the respective county clerk or at the K.D.O.T. district office responsible for the work.

HORACE B. EDWARDS
Secretary of Transportation

Doc. No. 006219

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

NOTICE CONCERNING KANSAS WATER POLLUTION CONTROL PERMIT

In accordance with state regulations 28-16-57 through 28-16-63 and the authority vested with the state by the administrator of the U.S. Environmental Protection Agency, tentative permits have been prepared for discharges to the waters of the United States and the state of Kansas for the applicants described below. The tentative determinations for permit content are based on preliminary staff review, applying the appropriate standards, regulations and effluent limitations of the state of Kansas and the EPA, and when issued will result in a state water pollution control permit and national pollutant discharge elimination system authorization to discharge subject to certain effluent limitations and special conditions.

Name and Address of Applicant	Waterway	Type of Discharge
Board of Public Utilities Quindaro Power Station 3601 N. 12th Kansas City, KS 66104 Wyandotte County, Kansas Kansas Permit No. I-M025-B002	Missouri River	Process water, once through cooling water and stormwater runoff
Description of Facility: This facility is engaged in the generation, transmission and distribution of electrical power. Proposed effluent limitations are pursuant to Kansas Surface Water Quality Standards, K.A.R. 28-16-18(b-f).		

Name and Address of Applicant	Waterway	Type of Discharge
Board of Public Utilities Nearman Creek Power Station 4240 N. 55th P.O. Box 4088 Kansas City, KS 66104 Wyandotte County, Kansas Kansas Permit No. I-M025-B001	Missouri River	Process water, once through cooling water and stormwater runoff
Description of Facility: This facility is engaged in the generation, transmission and distribution of electrical power. Proposed effluent limitations are pursuant to Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f).		

Written comments on the proposed determinations may be submitted to Bethel Spotts, Permit Clerk, Kansas Department of Health and Environment, Division of Environment, Bureau of Water Protection, Forbes Field, Topeka 66620. All comments received prior to March 25 will be considered in the formulation of final determinations regarding this public notice. Please refer to the appropriate application number (KS-88-7/8) and name of applicant as listed when preparing comments.

If no objections are received, the Secretary of Health and Environment will issue the final determination. 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, including proposed effluent limitations and special conditions, fact sheets as appropriate, comments received, and other information are on file and may be inspected at the Division of En-

vironment offices 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. 006238

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

TEMPORARY ADMINISTRATIVE REGULATIONS

Article 19.—AMBIENT AIR QUALITY STANDARDS AND AIR POLLUTION CONTROL

28-19-8. Reporting required. (a) (1) Any person who proposes to construct, alter, use or operate any processing machine, equipment, device or other article, or any combination thereof, that is capable of emitting any potential contaminant emissions equal to or in excess of the levels specified in subsection (b) of this regulation shall report this proposed activity to the department at least 90 days prior to initiating the activity. Reporting required by this section shall be on forms provided by the department and shall contain all information required by the department that is relevant to air pollution and that is available to, or that is reasonably capable of being assembled by, the person that completes the report.

(2) If the construction, alteration, use or operation of any article that is subject to this reporting requirement was not previously required to be reported under these regulations and if the construction, alteration, use or operation was initiated before January 1, 1984, then this alteration, construction, use or operation shall not be considered in violation of this regulation until 60 days after the department has notified the person responsible for the use or operation of the article that this use or operation must be reported. This notification shall be in writing.

(b) The following levels and types of air contaminant emissions shall be reported under the provisions of subsection (a) of this regulation:

(1) One or more pounds of particulate during any hour of operation;

(2) for any agricultural-related activity, five or more pounds of particulate during any hour of operation;

(3) two or more pounds of sulfur dioxide or sulfur trioxide, or a combination of both, during any hour of operation;

(4) 50 or more pounds of oxides of nitrogen, calculated as nitrogen dioxide, during any cumulative 24-hour period;

(5) 50 or more pounds of carbon monoxide during any cumulative 24-hour period;

(6) 50 or more pounds of gaseous hydrocarbons, excluding methane, during any cumulative 24-hour period; 15 or more pounds of gaseous hydrocarbons, excluding methane, during any cumulative 24-hour period, or three or more pounds during any one hour period, when sources of emissions are located in areas which have been identified as not meeting the national primary ambient air quality standard for ozone in the manner prescribed by the provisions of section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986;

(7) any measurable quantity of lead or lead compounds;

(8) any air contaminant emissions from any incinerator used to dispose of refuse by burning or for the processing of salvageable materials, except incinerators that are installed on residential premises which contain less than six dwelling units and that are used to burn waste materials that are associated with normal habitation of those dwelling units; and

(9) any other air contaminant emissions that the secretary of health and environment or an authorized representative of the secretary determines may cause or contribute to air pollution within the state because of its specific chemical or physical nature or because of the quantity discharged. Failure to report sources of a contaminant subject to provisions of this paragraph shall not be considered in violation of the requirement of subsection (a) until 60 days after the person responsible for construction, alteration, use or operation of the source has received written notice from the department requiring that emissions from the source are to be reported.

(c) Construction required for activities that are subject to this regulation shall not be initiated until the department has provided written notice that the activity is approved or until any permit required for this activity has been issued under K.A.R. 28-19-14. (Authorized by K.S.A. 65-3005; implementing K.S.A. 65-3005, 65-3007, 65-3010, effective Jan. 1, 1971; amended Jan. 1, 1972; amended, E-73-8, Dec. 27, 1972; amended Jan. 1, 1974; amended May 1, 1975; amended, T-84-39, Dec. 21, 1983; amended May 1, 1984; amended T-85-29, Nov. 14, 1984; amended May 1, 1985; T-88-55, Dec. 16, 1987.)

28-19-61. Definitions. The following words, terms and abbreviations are in addition to those defined in K.A.R. 28-19-7 and shall have the following meanings, unless the context clearly indicates otherwise:

(a) "Accumulator" means the reservoir of a condensing unit receiving the condensate from the condenser.

(b) "Affected facility" means facility or emissions unit subject to an applicable regulation.

(c) "Air-dried coating" means coatings which are dried by the use of air or forced warm air at temperatures up to 194°F.

(d) "Asphalt prime coat" means an application of low viscosity liquid asphalt to an absorbent surface to prepare it for the application of an asphalt concrete surface.

(continued)

(e) "ASTM" means the American Society for Testing and Materials.

(f) "Automobile" means all passenger cars or passenger car derivatives capable of seating no more than 12 passengers.

(g) "Automobile and light duty truck body" means the body section rearward of the windshield and front-end sheet metal forward of the windshield of an automobile or light duty truck.

(h) "Automobile and light duty truck part" means a metal part intended to be attached to an automobile or light duty truck body for inclusion into a finished product for sale to vehicle dealers and to which surface coatings have been applied in the vehicle assembly plant.

(i) "Baseline transfer efficiency" means the transfer efficiency of coating applicators in use during the baseline period. Baseline transfer efficiencies have been established for use with volatile organic compounds (VOC) emission limits recommended in certain U.S. environmental protection agency (EPA) published control technique guidelines (CTG) documents. Baseline transfer efficiencies are, 30 percent for primer-surfacer coat and top coat operations in the automobile and light truck manufacturing industry and 60 percent for surface coating operations in metal furniture manufacturing industries. Baseline transfer efficiency for surface coating in the metal parts and products manufacturing industry has not been established, however, the default value is 60 percent except where higher baseline transfer efficiencies are probable, as in dip or flow coating and spraying of interior surfaces. This default value will be used if the facility chooses not to test to determine a baseline transfer efficiency and insufficient information exists to determine an applicable baseline transfer efficiency.

(j) "Baseline period" means the 12-month period immediately preceding the date a facility becomes subject to applicable regulations.

(k) "Bottom filling" means the filling of a gasoline delivery vessel through an opening that is flush with the tank bottom, or filling of a stationary storage vessel through an opening near the bottom of the tank.

(l) "Bulk gasoline plant" means a gasoline storage and distribution facility with an average throughput of less than 20,000 gallons which receives gasoline from bulk terminals by trailer transport, stores it in tanks and subsequently dispenses it via account trucks to local farms, businesses and service stations.

(m) "Bulk gasoline terminal" means a gasoline storage facility which receives gasoline from refineries primarily by pipeline, ship, or barge, and delivers gasoline to bulk gasoline plants or to commercial or retail accounts primarily by delivery vessels, and has an average daily throughput of more than 20,000 gallons of gasoline.

(n) "Carbon adsorption system" means a volatile organic compounds (VOC) emissions control device containing adsorbent material, including but not limited to activated carbon, alumina and silica gel, an inlet and outlet for exhaust gases and a system to regenerate the saturated adsorbent. The carbon ad-

sorption system shall provide for the proper disposal or reuse of all VOC adsorbed.

(o) "Clear coat" means a transparent coating which uses the undercoat as a reflectant base or undertone color.

(p) "Coating applicator" means any device or equipment designed for the purpose of applying a coating material to a surface. The devices or equipment may include, but not be limited to sprayers, flow coaters, dip tanks, rollers, knife coaters, extrusion coaters and gravure devices.

(q) "Coating application system" means all operations and equipment within each line which apply, convey and dry a surface coating, including spray booths, flow coaters, flash-off areas, air dryers and ovens.

(r) "Cold cleaning" means the batch process of cleaning and removing soils from metal surfaces with solvents by spraying, brushing, flushing or immersion while maintaining the solvent below its boiling point. Wipe cleaning is not included in this definition.

(s) "Condenser" means any heat transfer device used to liquefy vapors by removing their latent heat of vaporization. Such devices include shell and tube, coil, surface or contact condensers.

(t) "Condensate" means hydrocarbon liquids which condensed due to changes in the temperature or pressure, or both, and remains as a liquid.

(u) "Conveyorized degreasing" means the continuous process of cleaning and removing soils from metal surfaces by operating with either cold or vaporized solvents.

(v) "Crude oil" means a naturally occurring mixture which consists of hydrocarbons or any sulfur, nitrogen or oxygen derivatives of hydrocarbons, or any combination of these compounds, and which is liquid at standard conditions.

(w) "Custody transfer" means the transfer of produced crude oil or condensate, or both, after processing or treating, or both, in the producing operations, from storage tanks or automatic transfer facilities to pipelines or any other forms of transportation.

(x) "Cutback asphalt" means any asphalt cement which has been liquefied by blending with volatile organic compounds (VOC) liquid diluents.

(y) "Delivery vessel" means a tank truck or trailer equipped with a storage tank having a capacity greater than 1,000 gallons and that is used for the transport of gasoline.

(z) "Emissions unit" means any part of a stationary facility which emits or would have the potential to emit any pollutant subject to regulation under the federal clean air act, 42 U.S.C. 7407 et seq.

(aa) "Emulsified asphalt" means asphalt cement which has been liquefied by blending with water and an emulsifier containing seven percent or less by volume volatile organic compounds (VOC) as a diluent as determined by ASTM standard D-244, "Standard methods of testing emulsified asphalts," as in effect October 28, 1977.

(bb) "Exempt solvents" means those designated negligibly photochemically reactive compounds listed

under definition of volatile organic compounds (VOC).

(cc) "External floating roof" means a storage vessel cover in an open top tank consisting of a double deck or pontoon single deck which rests upon and is supported by the volatile organic compounds (VOC) liquid being contained and which is equipped with a closure seal or seals to close the space between the roof edge and tank wall.

(dd) "Extreme environmental conditions" means exposure to the weather all the time or to temperatures consistently above 203°F, or to detergents, abrasives and scouring agents, solvents, corrosive atmosphere or similar environmental conditions.

(ee) "Extreme performance coatings" means coatings designed for extreme environmental conditions.

(ff) "Facility" means any building, structure, installation, activity or all combinations thereof which contains a stationary source of air contaminants on the premises.

(gg) "Final repair" means the surface coatings applied to correct topcoat imperfections on a completely assembled vehicle.

(hh) "Firebox" means the chamber or compartment of a boiler or furnace in which fuels are burned, but does not mean the combustion chamber of an incinerator.

(ii) "Flash-off area" means the structure on an assembly line between an application area and oven where solvents applied with the coating material are evaporated.

(jj) "Flexographic printing" means a method of printing in which the image areas are raised above the non-image areas, and the image carrier is made of an elastomeric material.

(kk) "Forebay" means the primary sections of a wastewater separator. Wastewater is a mixture of oil and water.

(ll) "Freeboard height" means the distance from the top of the vapor zone to the top of the degreaser tank.

(mm) "Freeboard ratio" means the freeboard height divided by the width of the degreaser.

(nn) "Gasoline" means any petroleum distillate having a Reid vapor pressure of four pounds or greater.

(oo) "Gasoline dispensing facility" means any site where gasoline is dispensed to motor vehicle gasoline tanks from stationary storage tanks.

(pp) "Glass pull rate" means the mass of molten glass utilized in the manufacture of wood fiberglass insulation at a single manufacturing line in a specified time period.

(qq) "Heat sensitive materials" means materials which cannot consistently be exposed to temperatures greater than 203°F.

(rr) "Hot well" means the reservoir of a condensing unit receiving the warm condensate from the condenser.

(ss) "Internal floating roof" means a cover in a fixed roof tank which rests upon or is floated upon the volatile organic compounds (VOC) liquid being contained, and is equipped with a sliding seal or seals to

close the space between the edge of the covers and tank shell.

(tt) "Light duty truck" means any motor vehicle rated at 8,500 pounds gross weight or less which is designed primarily for purpose of transportation of property, or a derivative of such a vehicle.

(uu) "Liquid-mounted seal" means a primary seal mounted in continuous contact with the liquid between the tank wall and the floating roof around the circumference of the tank.

(vv) "Loading rack" means the loading arms, pumps, meters, shut-off valves, relief valves and other piping and valves necessary to fill delivery vessels.

(ww) "Lower explosive limit (LEL)" means the concentration of a compound in air below which a flame will not propagate if the mixture is ignited.

(xx) "Low solvent coating" means a coating which contains less volatile organic compounds (VOC) solvent than the conventional solvent borne coatings used by the industry. Low solvent coatings could include waterborne, higher solids and powder coatings.

(yy) "Miscellaneous metal parts and products" means those metal parts and products not otherwise specified and includes, but is not limited to: large farm machinery, small farm machinery, small appliances, commercial machinery, industrial machinery, fabricated metal products and any other industrial category which includes the coating of metal parts and products under standard industrial classification code of major groups 33 through 41 as listed in Standard Industrial Classification Manual, 1972, U.S. office of management and budget.

(zz) "Open top vapor degreasing" means the batch process of cleaning and removing soils from metal surfaces by condensing hot solvent vapor on the colder metal parts.

(aaa) "Operator or owner" means any person who owns, leases, operates, controls or supervises an affected facility or a stationary source of which an affected facility is a part.

(bbb) "Organic material" means a chemical compound of carbon excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates and ammonium carbonate.

(ccc) "Packaging rotogravure printing" means rotogravure printing upon paper, paper board, metal foil, plastic film and other substrates, which are, in subsequent operations, formed into packaging products and labels.

(ddd) "Petroleum liquids" means crude oil condensate and any finished or intermediate products manufactured or extracted in a petroleum refinery.

(eee) "Petroleum refinery" means any facility engaged in producing gasoline, kerosene, distillate fuel oils, residual fuel oils, lubricants or other products through distillation of crude oils or through distillation, cracking, extraction or reforming of unfinished petroleum derivatives.

(fff) "Primer coat" means the initial coating applied to a surface.

(ggg) "Primer-surfacer coat" means the surface

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coating applied over the primer coat and beneath the top coat.

(hhh) "Publication rotogravure printing" means rotogravure printing upon paper which is subsequently formed into books, magazines, catalogues, brochures, directories, newspaper supplements and other types of printed materials.

(iii) "Purging" means the volatile organic compounds (VOC) cleaning material expelled from the coating applicator to maintain operating conditions or prior to using the same equipment for coating with different color or composition coatings.

(ijj) "Reasonably available control technology (RACT)" means the lowest emission limit of control technology that is reasonably available considering technological and economic feasibility.

(kkk) "Refinery fuel gas" means any gas which is generated by a petroleum refinery process unit and which is combusted, including any gaseous mixture of natural gas and fuel gas.

(lll) "Reid vapor pressure" means the absolute vapor pressure of volatile crude oil and volatile non-viscous petroleum liquids, except liquefied petroleum gases, as determined by ASTM, Part 17, 1973, D-323-72, as in effect August 29, 1972 (reapproved 1977).

(mmm) "Roll printing" means the application of words, designs and pictures to a substrate usually by means of a series of hard rubber or steel rolls each with only partial coverage.

(nnn) "Rotary spinning" means a process used to produce wool fiberglass insulation by forcing molten glass through numerous small orifices in the side wall of a spinner to form continuous glass fibers that are then broken into discrete lengths by high velocity air flow.

(ooo) "Rotogravure printing" means the application of words, designs and pictures to a substrate by means of a roll printing technique which involves an intaglio or recessed image areas in the form of cells.

(ppp) "Solvent" means organic materials which are liquid at standard conditions and which are used as dissolvers, viscosity reducers or cleaning agents.

(qqq) "Solvent-borne" means a coating which contains five percent or less water by weight in its volatile fraction.

(rrr) "Solvent metal cleaning" means the process of cleaning soils from metal surfaces by cold cleaning, open-top vapor degreasing or conveyORIZED degreasing.

(sss) "Standard conditions" means a temperature of 68°F and pressure of 760 millimeters of mercury or 29.92 inches of mercury.

(ttt) "Submerged filling" means the filling of storage tank or a delivery vessel tank through a pipe or hose discharging within six (6) inches of the tank bottom.

(uuu) "Surface coat means a protective, decorative or functional thin film applied to the surface of an object.

(vvv) "Surface coating of metal furniture" means the coating of any metal part which will be assembled with other metal, wood, fabric, plastic or glass parts to form business, institutional or household furniture.

(www) "Top coat" means the coating applied to a surface for the purpose of establishing color and surface appearance which includes both base coat and clear coat in base coat/clear coat operations.

(xxx) "Transfer efficiency" means the amount of coating solids transferred onto the surface of a part or product divided by the total amount of coating solids used.

(yyy) "True vapor pressure" means the equilibrium partial pressure exerted by a petroleum liquid as determined in accordance with methods described in American petroleum institute bulletin 2517, "Evaporation loss from floating roof tanks," 1962. This information is available from the department upon written request.

(zzz) "Turnaround" means the procedure of shutting a refinery unit down after a run, in order to do necessary maintenance and repair work, and putting the unit back on stream.

(aaaa) "Vacuum producing system" means any reciprocating, rotary, or centrifugal blower or compressor, or any jet ejector or device that takes suction from below atmospheric pressure and discharges against atmospheric pressure.

(bbbb) "Vapor balance system" means a combination of pipes or hoses which create a closed system between the vapor spaces of an unloading tank and a receiving tank such that vapors displaced from the receiving tank are transferred to the tank being unloaded.

(cccc) "Vapor collection system" means any equipment, including but not limited to, hoods and ventilation systems, that captures or contains displaced organic compounds vapors that they may be directed to a vapor processing system.

(dddd) "Vapor processing system" means all equipment used for recovery or oxidizing organic compounds vapors displaced from an affected facility and generally includes a vapor collection system.

(eeee) "Volatile organic compounds (VOC)" means any organic compound which participates in atmospheric photochemical reactions including any organic compound other than those which the department designates as having negligible photochemical reactivity. The department has designated the following organic compounds as negligibly reactive: methane, ethane, 1,1,1-trichloroethane (methyl chloroform), methylene chloride, Trichlorofluoromethane (CFC-11), dichloro-difluoromethane (CFC-12), chlorodifluoromethane (CFC-22), trifluoromethane (CFC-23), trichlorotrifluoroethane (CFC-113) dichlorotetrafluoroethane (CFC-114) and chloropentafluoroethane (CFC-115).

(ffff) "Volume fraction solids" means the arithmetic value determined by dividing the volume of surface coating solids contained in specific volume of surface coating material by the volume of the surface coating material. Calculation of volume fraction solids shall be determined by method 24, 40 CFR Part 60, appendix A as in effect July 1, 1985.

(gggg) "Waste water separator" means any device or piece of equipment which utilizes the difference in density between oil and water to remove oil and

associated chemicals from water, or any device, including but not limited to a flocculation tank, clarifier, or other similar device, which removes petroleum derived compounds from waste water.

(hhhh) "Waxy, heavy pour crudes" means any crude oil with a pour point of 30°F or higher as determined by ASTM standard D-97-66, "Test for pour point of petroleum oils," as in effect 1966, or with a Reid vapor pressure less than two pounds per square inch absolute as determined by ASTM standard D-323-72, "Vapor pressure of petroleum products (Reid method)," as in effect August 29, 1972.

(iiii) "Wool fiberglass insulation" means a thermal insulation material composed of glass fibers and made from glass produced or melted at the same facility where the manufacturing line is located.

(jjj) "Wool fiberglass manufacturing line" means the manufacturing equipment comprising the forming section, where molten glass is fiberized and a fiberglass mat is formed; the curing section, where the binder resin in the mat is thermally "set"; and the cooling section, where the mat is cooled. (Authorized by K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended May 1, 1987; amended T-88-55, Dec. 16, 1987.)

28-19-62. Testing procedures. (a) Sampling and testing procedures required to demonstrate compliance with volatile organic compound (VOC) emission limits shall be as described in the following referenced publications:

(1) Appropriate reference methods in 40 CFR Part 60, appendix A as in effect July 1, 1986 or alternate methods demonstrated to the satisfaction of the department to be equivalent;

(2) ASTM D 1186-06.01—Thickness of paints/related coatings, dry film thickness of non-magnetic coatings applied to a ferrous base, as in effect 1981.

(3) ASTM D 1200-06.01—Standard test method for determining the viscosity of paints and related coatings by the Ford viscosity cup test, as in effect 1982.

(4) ASTM D 3794-06.01—Standard test method for determining the viscosity of coil coatings by the Zann cup method test, as in effect 1979.

(5) ASTM D 1475-60—Standard test method for determining the density of paint, varnish, lacquer and related products, as in effect 1980.

(6) ASTM D 2369-81—Standard test method for determining the volatile content of coatings, as in effect 1981.

(7) ASTM D 3792-79—Standard test method for determining the water content of water reducible paint by direct injection into a gas chromatograph, as in effect 1979.

(8) ASTM D 4017-81—Standard test method for determining the water content in paints by the Karl Fischer titration method, as in effect 1981.

(9) ASTM D-244-83—Standard methods of testing emulsified asphalts, as in effect 1983.

(10) ASTM D-323-72—Vapor pressure of petroleum products (Reid method), as in effect 1982.

(11) ASTM D-97-66—test for pour point of petroleum oils, as in effect 1978.

(b) The department may approve alternate sampling or testing procedures developed or approved by the U.S. environmental protection agency as equivalent or improved procedures. (Authorized by K.S.A. 65-3005 and 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended May 1, 1982; amended, T-88-55, Dec. 16, 1987.)

28-19-63. Automobile and light duty truck surface coating. (a) The provisions of this regulation shall be applicable to each automobile or light duty truck surface coating application system at those facilities which have a VOC potential contaminant emission rate equal to or greater than three tons per year. The VOC potential contaminant emission rate of a facility shall be determined by:

(1) the maximum hourly production rate of each coating application system; and

(2) assuming that the facility operates 24 hours per day, 365 days per year.

(b) An owner or operator of any facility subject to this regulation shall not conduct any surface coating operation that emits VOC to atmosphere in excess of that which would be emitted by using coatings with VOC content specified in the following table:

Surface Coat Operation	Coating Characteristics lb/gal coating (minus exempt VOC and water)	Compliance Date
Body Primer Coat	1.2	12-31-82
Body Primer-surfacer Coat	3.0	12-31-82
	2.8	12-31-87
Body Top Coat	5.8	07-01-80
	5.0	12-31-81
	2.8	12-31-87
Body Final Repair Coat	6.5	07-01-80
	4.8	12-31-87
Miscellaneous Metal Parts	3.5	07-01-82

(c) Use of additional VOC shall be considered as follows:

(1) for determining the potential contaminant emission rate of the facility in accordance with subsection (a), include that added for thinning coatings and that used for purging or washing coating applicators which can not be otherwise accounted for in a reclamation system; and

(2) for compliance with subsection (b), include that added for thinning coatings.

(d) The emission limits which will result from the use of coatings in subsection (b) shall be achieved by:

(1) application of coatings which meet or exceed the characteristics of the coatings in subsection (b) per coating application system on a daily weighted average basis; or

(2) application of coatings with improved transfer efficiency demonstrated, through testing by methods approved by the department, to achieve equivalent emissions based on the weight of VOC emitted per gallon of solids applied as would be emitted with the coatings specified in subsection (b); or

(3) application, for the capture and reduction of VOC emissions through either destruction or collection, of emission control equipment demonstrated through testing as capable of maintaining an overall VOC emission reduction of at least 90 percent. Use of emission control equipment shall require that continuous monitors be installed, calibrated, operated and

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maintained. Maintenance records of the monitors shall be kept and made available for department inspection. The continuous monitors shall continuously measure and record the following parameters:

(A) with an accuracy of the greater of ± 0.75 percent of the temperature being measured expressed in degrees Celsius, or 2.5 degrees Celsius, the exhaust gas temperature of all VOC destruction devices and the gas temperature immediately upstream and downstream of any catalyst bed;

(B) with an accuracy of ± 2.00 percent of the amount being monitored, the cumulative amount of VOC recovered during a calendar month for all VOC recovery equipment; and

(C) any other parameters considered necessary by the department to verify proper operation of emission control equipment; or

(4) any combination of methods approved by the department which results in emissions, when calculated as pounds of VOC per gallon of solids applied per coating operation, that are no greater on a daily weighted basis than those achieved with the appropriate coatings specified in subsection (b).

(e) Prior to 180 days after a facility becomes subject to the provisions of this regulation, the owner or operator of the facility shall demonstrate, at the expense of the owner or operator, initial compliance with this regulation by testing. An owner or operator proposing to conduct testing shall notify the department, in writing, of the intent to test not later than 30 days prior to the proposed date of testing. The owner or operator shall submit to the department any information about the proposed test requested by the department. The department may require, at any time necessary to determine compliance with this regulation, the owner or operator of any facility subject to this regulation to demonstrate compliance by testing, and at the expense of the owner or operator. Testing, for purposes of this regulation, shall be approved by the department and consistent with:

(1) 40 CFR Part 60, appendix A, as in effect July 1, 1986; and

(2) procedures as established by the department in approving proposed test plans consistent with subsection (e)(1).

(f) Demonstration of continual compliance per coating application system achieved by sections (d)(2) through (d)(4) shall be based on the finding that the results obtained by the formula in (2) are equal to or less than the results obtained by the formula in (1), both results on a daily weighted basis.

(1) complying coating equivalent emissions expressed as:

$$\frac{\text{VOC, lbs}}{\text{gal. solids applied}} = \frac{(\text{EL})}{(\text{VS})(\text{TE})}$$

EL = the coating characteristics established by this regulation, expressed as pounds of VOC per gallon of coating, less exempt VOC and water

VS = volume fraction of solids in EL, expressed as a decimal, where the density of coating solvents is assumed to be 7.36 pounds per gallon

TE = baseline transfer efficiency as defined at K.A.R. 28-19-61, expressed as a decimal.

(2) actual coating equivalent emissions expressed as:

$$\frac{\text{VOC, lbs}}{\text{gal. solids applied}} = \frac{(\text{AC}) (1-\text{E})}{(\text{vs})(\text{te})}$$

AC = pounds of VOC per gallon of the actual coating delivered to the coating application system, less exempt VOC and water

E = the demonstrated actual efficiency of installed vapor processing system determined by the actual vapor collection system efficiency multiplied by the actual VOC emission control device efficiency, expressed as a decimal

vs = volume fraction of solids of the actual coating delivered to the coating application system, expressed as a decimal. For water-borne coatings, the volume fraction of solids is determined without water.

te = the actual demonstrated transfer efficiency of the coating application system, expressed as a decimal.

(A) The owner or operator shall determine AC and vs by formulation data determined by the reference method 24 one hour bake test in subsection (e)(1) supplied by the manufacturer of the coating, plus added VOC for thinning purposes, or from coating analysis conducted by the owner or operator in accordance with reference method 24. If manufacturers formulation data is used, the department may require the data be verified also by the reference method 24 one hour bake test, or a department approved equivalent method, and at the expense of the owner or operator.

(g) The owner or operator of each emission unit within a facility subject to this regulation shall keep and maintain records at the facility and make available for inspection by a department representative to determine continuous compliance of the facility with this regulation. The records shall include daily records of the following information and shall be kept at the facility for two years following the date of record:

(1) the type and amount of coatings delivered to a coating application system;

(2) the manufacturer's formulation data determined by the reference method 24 one hour bake test in subsection (e)(1) on each coating type;

(3) the coating's solids content; as delivered to the coating application system in volume percent;

(4) the results of any testing conducted at the facility pertaining to transfer efficiencies, capture efficiencies or control equipment reduction efficiencies;

(5) the type, density and amount of solvents used for coating thinning, purge and equipment cleaning;

(6) amount, components and density of waste solvents reclaimed; and

(7) those records as required in subsections (d)(3)(A) through (d)(3)(D).

(h) The owner or operator of a facility shall comply with all emission limits within 180 days after the facility becomes subject to the provisions of this regulation.

(i) The provisions of this regulation shall be applicable only to affected facilities located in areas which have been identified as not meeting the national primary ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended May 1, 1986; amended, T-88-55, Dec. 16, 1987.)

28-19-64. Bulk gasoline terminals. (a) No owner or operator of any bulk gasoline terminal (BGT) with a gasoline throughput of 20,000 gallons or greater daily shall cause or permit loading of gasoline into any gasoline delivery vessel (GDV) from any loading rack unless:

(1) the loading rack includes a vapor collection system and a vapor processing system or an equivalent vapor control system approved by the director; and

(2) the GDV driver provides documentation showing the GDV owner or operator has complied with K.A.R. 28-19-70(c)(3).

(b) The following requirements shall apply to the loading rack and vapor collection and processing system at affected BGT's:

(1) VOC emissions to atmosphere shall be limited to 0.67 pound per 1,000 gallons of gasoline loaded. Initial compliance with this emission limitation shall be demonstrated by the owner or operator within 180 days after an affected BGT becomes subject to the provisions of this regulation. Compliance demonstration shall be in accordance with 40 CFR Part 60, as in effect July 1, 1986, subsections 60.503(c), (d), (e) and (f). The department may require compliance demonstration be repeated at any time necessary to determine compliance with this regulation, and at the expense of the owner or operator.

(2) all vapors and gases from the loading rack shall be vented only to the vapor processing system; and

(3) the vapor collection and processing system shall be designed and operated to prevent gauge pressure in the GDV from exceeding 18 inches of water and prevent vacuum gauge pressure from exceeding six inches of water during the gasoline loading operation.

(c) The owner or operator of an affected BGT required to install a vapor collection and processing system to comply with this regulation shall:

(1) Within 16 weeks of the effective date of this regulation submit a control plan to the department providing for final compliance with this regulation as expeditiously as practicable but not later than the date prescribed by subsection (c)(5) of this regulation;

(2) award contracts or purchase orders for the vapor collection and processing system within 24 weeks on the effective date of this regulation;

(3) initiate on site construction or installation of the vapor collection and processing system within 48 weeks of the effective date of this regulation;

(4) complete construction or installation of the vapor collection and processing system within 100 weeks of the effective date of this regulation; and

(5) demonstrate final compliance with this regulation within two years of the effective date of this regulation.

(d) The owner or operator of an affected BGT shall submit to the director by March 31 of each year, a report of the monthly gasoline throughput for the previous calendar year.

(e) The owner or operator of an affected BGT shall inspect, at least once each calendar quarter, each loading rack and vapor collection and processing system during loading of GDV's for liquid or vapor leaks.

Inspect for liquid leaks visually, vapor leaks shall be detected in accordance with 40 CFR Part 60, appendix A, reference method 21 or an alternate method as demonstrated to the satisfaction of the department to be equivalent. Combustible organic vapors shall be less than 100 percent of the lower explosive limit, measured as propane, at one inch around the perimeter of any leak source on the loading rack and vapor collection and processing system up to the point of connection with GDV. Leaks detected shall be repaired within 15 days. The owner or operator of the affected BGT shall record the following information and keep the information available for at least two years for department inspection at the BGT or submittal to the department upon department request:

(1) date of each inspection, including corresponding number of leaks detected; and

(2) date and location of leaks detected and date and type of corrective actions taken.

(f) In addition to inspecting for leaks required in subsection (e), the owner or operator of an affected BGT shall:

(1) take precautions necessary to prevent liquid drainage from the loading rack when not in use and when disconnecting from any GDV; and

(2) notify the department, on forms supplied by the department, and before each March 2nd, that all GDV's servicing the BGT during the past calendar year complied with the requirements of K.A.R. 28-19-70(c).

(g) The provisions of this regulation shall be applicable to all affected BGT's which are located in areas which were identified as not meeting the national ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 2, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended May 1, 1986; amended, T-88-55, Dec. 16, 1987.)

28-19-65. Volatile organic compounds (VOC) liquid storage in permanent fixed roof type tanks. (a) No person shall place, store, or hold in any stationary tank, reservoir, or other container capable of holding more than 40,000 gallons of any VOC liquid having a true vapor pressure of one and five tenths pounds per square inch absolute (psia) or greater under actual storage conditions unless the tank, reservoir, or other container is a pressure tank capable of maintaining working pressures sufficient to prevent vapor loss to the atmosphere or is designed and equipped with one of the following vapor loss control devices:

(1) for storage of VOC liquid having a true vapor pressure of less than 11.1 psia at storage conditions, an internal floating roof meeting the following requirements:

(A) it shall have a primary seal and continuous secondary seal extending from the floating roof to the tank wall. The primary seal shall be a liquid mounted type

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or when the floating roof already has a primary seal, a metallic shoe seal will be installed to function as a primary seal. Replacement primary seals shall be liquid mounted or metallic shoe type; and

(B) automatic vent openings shall be closed except when the floating roof is being floated off or landing on the leg supports; or

(2) for storage of VOC liquid having a true vapor pressure of equal to or greater than 11.1 psia at storage conditions, a pressure tank sealed or vented to a vapor processing system; or

(3) a properly installed, and maintained vapor processing system. The vapor processing system shall consist of a vapor collection system capable of collecting the VOC vapors to prevent their emission to the atmosphere. The vapor processing system shall achieve an overall VOC emissions reduction efficiency of at least 90% by weight on a continuous basis; or

(4) equipment or means other than in (1) through (3) demonstrated to the satisfaction of the department to be equal in efficiency for purposes of air pollution control.

(b) The owner or operator shall maintain each affected storage tank so that the following conditions prevail:

(1) no visible holes, tears or other openings in the secondary seal or seal fabric;

(2) no visible gaps between the secondary seal and tank wall are apparent;

(3) VOC liquid does not accumulate on the internal floating roof; and

(4) all tank openings shall be gas tight except when tank gauging or sampling is taking place.

(c) This regulation shall not apply to tanks having a storage capacity of 420,000 gallons or less and used to store produced crude oil and condensate prior to lease custody transfer.

(d) The owner or operator of an affected facility shall:

(1) Within 16 weeks after the facility becomes subject to the provisions of this regulation submit a control plan to the department providing for final compliance with this regulation as expeditiously as practicable but not later than the date prescribed by subsection (d)(5) of this regulation;

(2) award contracts or purchase orders for emissions control equipment necessary to comply with the provisions of the regulation within 24 weeks after the facility becomes subject to the provisions of this regulation;

(3) initiate construction or installation of the required emission control equipment within 48 weeks after the facility becomes subject to the provisions of this regulation;

(4) complete the construction or installation of the required emission control equipment within 100 weeks after the facility becomes subject to the provisions of this regulation;

(5) demonstrate compliance with this regulation within two years after the facility becomes subject to the provisions of this regulation.

(e) The owner or operator of each affected storage tank shall visually inspect the internal floating roof, the primary seal and secondary seal each time the storage tank is emptied and degassed. The owner or operator shall then conduct any repairs necessary to comply with (b)(1) through (b)(3) before refilling the storage tank.

(f) The owner or operator of each affected storage tank shall maintain records on a monthly basis for two years from the date of record at the facility available for department inspection for:

(1) amount and type of VOC liquids stored/turned over;

(2) inspection dates with the corresponding findings;

(3) date and description of repairs of each storage tank and floating roof or vapor processing system; and

(4) the average temperature on a monthly basis of the stored VOC liquids.

(g) The provisions of this regulation shall be applicable only to VOC liquid storage tanks operated at facilities subject to the provisions of either K.A.R. 28-19-64, 28-19-67 or 28-19-68. (Authorized by K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended, T-88-55, Dec. 16, 1987.)

28-19-66. Volatile organic compounds (VOC) liquid storage in external floating roof tanks. (a) No person shall place, store, or hold in any stationary tank, reservoir, or other container not having a permanent fixed roof and capable of holding more than 40,000 gallons of any VOC liquid with a true vapor pressure of 1.5 pounds per square inch absolute (psia) or greater at storage conditions unless the container is equipped with an external floating roof having a primary seal system. The container shall also be equipped with a continuous secondary seal extending from the floating roof to the container wall if:

(1) the container is of welded construction with a metallic type shoe seal, a liquid mounted foam seal, a liquid mounted liquid filled seal or any other closure device which has been demonstrated to the satisfaction of the department to be an equivalent primary seal system, and the true vapor pressure of the stored VOC liquid is four psia or greater at storage conditions;

(2) the container floating roof has a vapor mounted primary seal, unless the seal can be demonstrated to the satisfaction of the department to be equivalent to a metallic or liquid mounted seal, in which case the requirements of subsection (a)(1) apply; or

(3) the container is of riveted construction.

(b) All seal closure devices shall meet the following requirements:

(1) there shall be no visible holes, tears, or other openings in the seal or the seal fabric;

(2) they shall be intact and there shall be no visible gaps between the secondary seal and the wall of the storage tank; and

(3) when a vapor-mounted seal is demonstrated to the satisfaction of the department to be an equivalent primary closure device, the accumulated area of

openings exceeding one-eighth inch in width between the secondary seal and the tank wall shall not exceed one square inch per foot of tank diameter.

(c) All openings in the external floating roof, except for automatic bleeder vents, rim space vents and leg sleeves, shall provide a projection below the liquid surface. The openings shall be equipped with a cover, seal or lid. The cover, seal or lid shall be in a closed position at all times except when the roof is floated off or landed on the roof leg supports and rim vents shall be set to open when the roof is being floated off the roof leg supports or at the manufacturer's recommended setting. No VOC liquid shall accumulate on the floating roof. Any emergency roof drain shall be provided with a slotted membrane fabric cover or equivalent cover that covers at least 90 percent of the area of the opening.

(d) The following are specifically exempted from the requirements of this regulation:

(1) external floating roof tanks having capacities less than 10,000 barrels used to store produced crude oil and condensate prior to lease custody transfer;

(2) a metallic-type shoe seal in a welded tank which has a secondary seal from the top of the shoe seal to the tank wall;

(3) external floating roof tanks storing waxy, heavy pour crudes; and

(4) external floating roof tanks with other closures or devices demonstrated to the satisfaction of the department to be equal in efficiency for purposes of air pollution control.

(e) The owner or operator of a facility subject to the provisions of this regulation shall:

(1) within 16 weeks after the facility becomes subject to the provisions of this regulation, submit a control plan to the department providing for final compliance as expeditiously as practicable but not later than the date prescribed by subsection (e)(5) of this regulation;

(2) award contracts or purchase orders for seal systems or other equipment necessary for compliance within 24 weeks after the facility becomes subject to the provisions of this regulation;

(3) initiate on site construction or installation activities required for compliance within 48 weeks after the facility becomes subject to the provisions of this regulation;

(4) complete on site construction or installation of equipment for compliance within 100 weeks after the facility becomes subject to the provisions of this regulation; and

(5) demonstrate final compliance with applicable provisions of this regulation within two years after the facility becomes subject to the provisions of this regulation except that final compliance shall be demonstrated within one year after the facility becomes subject to the provisions of this regulation where such compliance does not require the purchase, relocation or construction of equipment items other than piping.

(f) The owner or operator of each affected storage tank shall visually inspect the floating roof primary seal each time the storage tank is emptied and de-

gassed, but no less than once every five years. A visual inspection of the secondary seal shall be conducted semi-annually and the secondary seal gap measurements shall be conducted annually to ensure compliance with (b)(2) and (b)(3). The owner or operator shall repair any damage to the secondary seal or seal fabric within 72 hours of finding secondary seal damage and repair primary seal damage prior to refilling the storage tank.

(g) The owner or operator of each affected storage tank shall maintain records on a monthly basis for two years from the date of record at the facility available for department inspection for:

(1) amount and type of VOC liquids stored/turned over;

(2) inspection dates with the corresponding findings;

(3) date and description of repairs of each storage tank and floating roof; and

(4) the average temperature on a monthly basis of the stored VOC liquids.

(h) The provisions of this regulation shall be applicable only to VOC liquid storage tanks operated at facilities subject to the provisions of either K.A.R. 28-19-64, 28-19-67 or 28-19-68. (Authorized by K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended, T-88-55, Dec. 16, 1987.)

28-19-69. Cutback asphalt. (a) A person shall not cause, allow or permit the use or application of cutback asphalt for the purposes of paving after December 31, 1982, without the approval of the department. A person seeking approval from the department shall submit a request in writing which provides as much information as the department may require. Any approval may be subject to conditions imposed by the department which may include, but are not limited to, maintenance of records necessary to demonstrate compliance with this regulation. Emulsified asphalt shall be an acceptable substitute for cutback asphalt.

(b) The use or application of cutback asphalts may be approved where:

(1) the liquified cutback asphalt is used to produce a plant-mix for sale and use outside the areas as described in subsection (c);

(2) the liquified cutback asphalt is used in a plant-mix or road-mix which is used only for filling potholes on emergency road repair; or

(3) the cutback asphalt is to be used only as an asphalt prime coat or an asphalt seal coat or absorbent surfaces.

(c) This regulation shall be applicable only to the use or application of cutback asphalt within areas which were identified as not meeting the national ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407, as promulgated at 40 CFR Part 81 as in effect July 1, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective, E-81-28, Sept. 10, 1980; effective May 1, 1981; amended May 1, 1986; amended, T-88-55, Dec. 16, 1987.)

(continued)

28-19-70. Leaks from gasoline delivery vessels and vapor collection systems. (a) No person shall load or permit the loading of gasoline from any bulk gasoline terminal (BGT) loading rack into any gasoline delivery vessel (GDV) unless the BGT is equipped with a vapor collection system that is connected to a vapor processing system and complies with the requirements of this regulation.

(b) The loading of gasoline from a BGT into a GDV shall be carried out in compliance with the following requirements:

(1) combustible organic vapors shall be less than 100 percent of the lower explosive limit, measured as propane, at one inch around the perimeter of any leak source on the GDV or the connected BGT vapor collection system during the gasoline loading operation. Compliance shall be determined in accordance with 40 CFR Part 60, appendix A, as in effect July 1, 1986, reference method 21 or an alternate method demonstrated to the satisfaction of the department to be equivalent;

(2) there shall not be any visible liquid leaks from the GDV or the BGT vapor collection and processing system during the gasoline loading operation; and

(3) the vapor collection and vapor processing system provided at the BGT shall be designed and operated to prevent gauge pressure in the GDV from exceeding 18 inches of water and prevent vacuum gauge pressure from exceeding six inches of water during the gasoline loading operation.

(c) The owner or operator of GDV's shall:

(1) demonstrate that a pressure change of not more than three inches of water in five minutes will occur when the GDV is:

(A) pressurized to a gauge pressure of 18 inches of water; and

(B) evacuated to a gauge pressure of six inches of water. This demonstration shall be made using the testing procedures prescribed in 40 CFR Part 60, appendix A, method 27, as in effect July 1, 1986;

(2) be required to demonstrate that each GDV successfully passes testing annually during the period May 1 to July 1 and the owner or operator shall submit the successful test results on forms supplied by the department before each July 31. Failure to test and submit successful test results to the department before July 31 of each year shall be considered as a violation of this regulation;

(3) place copies of the annual successful test results in each GDV that names the company or person performing the testing;

(4) within 15 days after a GDV fails the required testing, repair and then certify that the GDV passed required testing or discontinue use as a GDV in areas identified as not meeting the national ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986 until it has been tested successfully;

(5) notify the director within 15 days of the date any liquid or vapor leaks occur at the GDV during gasoline

loading and transfer operations and the corrective measures taken to repair the GDV; and

(6) notify the department of the first time and place after certification that the GDV transfers gasoline at a gasoline dispensing facility subject to K.A.R. 28-19-72. This is to provide the department with the opportunity to inspect the GDV after certification in accordance with (1) through (4).

(d) Gasoline shall not be loaded into any GDV which has not been certified as complying with subsection (c).

(e) The provisions of this regulation shall apply only to gasoline loading operations conducted at BGT's subject to the provisions of K.A.R. 28-19-64 and gasoline transfer operations at gasoline dispensing facilities subject to the provisions of K.A.R. 28-19-72.

(f) Each owner or operator of GCV's operating in areas which have been identified as not meeting the national ambient air quality standard for ozone in the manner as prescribed by the provisions of section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986 shall:

(1) comply with applicable requirements of this regulation within 60 days after the GDV becomes subject to the provisions of this regulation for GDV's in service prior to the effective date of this regulation; and

(2) comply with applicable requirements of this regulation as of the date of entering service for GDV's entering service after the effective date of this regulation. (Authorized by K.S.A. 65-3005, 65-3010; implementing K.S.A. 65-3005, 65-3010; effective May 1, 1982; amended, T-88-55, Dec. 16, 1987.)

28-19-71. Printing operations. (a) The provisions of this regulation shall apply to all packaging rotogravure, publication rotogravure and flexographic printing facilities with potential contaminant emission rate of volatile organic compounds (VOC) equal to or more than 100 tons per year. The potential contaminant emission rate calculations may include federally enforceable permit restrictions.

(b) An owner or operator of an affected facility may not operate, cause, allow or permit the operation of the facility unless:

(1) the ink, as it is applied to the substrate, contains:

(A) for a water borne ink, a volatile content of 25.0 percent or less by volume VOC and 75 percent or more by volume water; and

(B) for a high solids, solvent borne ink, less water, 60.0 percent or more by volume solid fraction; or

(2) the owner or operator installs and operates a vapor processing system which uses a carbon adsorber or an incinerator as a VOC emissions control device or other types of VOC emissions control devices may be used upon approval. A vapor collection system, the design and operation of which shall be consistent with good engineering practice, shall be used with any vapor processing system. The vapor processing system shall provide, as demonstrated to the satisfaction of the department, an overall emissions reduction of at least:

(A) 75.0 percent where a publication rotogravure process is employed;

(B) 65.0 percent where a packaging rotogravure process is employed; or

(C) 60.0 percent where a flexographic printing process is employed.

(c) The owner or operator of an affected facility not in compliance with subsection (b) after the facility becomes subject to the provisions of this regulation shall meet the increments of progress to achieve compliance in the following schedules.

(1) For process equipment alterations and add-on vapor processing systems requiring purchase orders:

(A) Submit final plans for the vapor processing system or process alterations, or both, within 75 days after the facility becomes subject to the provisions of this regulation;

(B) award contracts or purchase orders for the vapor processing system or process alterations, or both, within 135 days after the facility becomes subject to the provisions of this regulation;

(C) initiate onsite construction or installation of the vapor processing system or process alterations, or both, within 200 days after the facility becomes subject to the provisions of this regulation;

(D) complete onsite construction or installation of the vapor processing system or process alterations, within 300 days after the facility becomes subject to the provisions of the regulation; and

(E) achieve final compliance within 365 days after the facility becomes subject to the provisions of this regulation.

(2) for process equipment alterations and vapor processing systems not requiring purchase orders:

(A) submit final plans for the vapor processing system or process alterations, or both, within 45 days after the facility becomes subject to the provisions of this regulation;

(B) award contracts for process alterations or for the vapor processing system, or both, within 90 days after the facility becomes subject to the provisions of this regulation;

(C) initiate onsite construction or installation of process alterations or vapor processing system, or both, within 120 days after the facility becomes subject to the provisions of this regulation;

(D) complete onsite construction or installation of process alterations or vapor processing system, or both, within 180 days after the facility becomes subject to the provisions of this regulation; and

(E) achieve final compliance, within 200 days after the facility becomes subject to the provisions of this regulation.

(d) The owner or operator of an affected facility not in compliance with subsection (b) after the facility becomes subject to the provisions of this regulation may submit to the department, and the department may approve, a proposed alternate compliance schedule to those outlined in subsection (c), provided the following requirements are met:

(1) the proposed alternate compliance schedule shall be submitted within 45 days after the facility becomes subject to the provisions of this regulation;

(2) the owner or operator shall demonstrate to the satisfaction of the department the need for an alternate schedule;

(3) the alternate compliance schedule shall contain increments of progress;

(4) sufficient documentation and certification from appropriate suppliers, contractors, manufacturers, or fabricators shall be submitted to the department by the owner or operator of the affected facility to justify the dates proposed for the increments of progress;

(5) the owner or operator shall certify in writing to the department, within five days after the deadline for each increment of progress, that the required increment of progress has been met; and

(6) final compliance shall be achieved within 365 days after the facility becomes subject to the provisions of this regulation.

(e)(1) The owner or operator of an affected facility shall, within 365 days after the facility becomes subject to the provisions of this regulation and at other times considered necessary by the department to determine compliance with this regulation and at the owner or operator's expense, demonstrate compliance to the satisfaction of the department with subsection (b) by the test methods outlined in the following documents or alternate methods demonstrated to the satisfaction of the department to be equivalent:

(A) appropriate reference methods in 40 CFR Part 60, appendix A, as in effect July 1, 1986; and

(B) U.S. environmental protection agency guideline series document "Procedures for Certifying Quantity of Volatile Organic Compounds Emitted by Paint, Ink and Other Coatings," EPA-450/3-84-011, as in effect December, 1984.

(2) The owner or operator shall notify the department of the intent to test not less than 30 days before the proposed initiation of any tests, and the notification shall contain the information required by, and be in a format approved by, the department.

(f) Subsequent to the initial performance test required in subsection (e), the owner or operator shall monitor compliance with subsection (b) by maintaining and analyzing the daily records required by subsection (h) using composition of the ink as applied to the substrate determined by:

(1) ink analysis conducted by the owner or operator in accordance with 40 CFR Part 60, appendix A, reference method 24A, as in effect July, 1986; or

(2) formulation data supplied by the ink manufacturer plus VOC added to alter ink viscosity before application to the substrate. The department may require the manufacturer's data be verified, at the expense of the owner or operator, by method 24A, referenced in subsection (f)(1), if the department has reason to believe compliance with subsection (b) is not being achieved.

(g) Use of vapor processing systems shall require that continuous monitors be installed, calibrated, operated and maintained. The continuous monitors shall continuously measure and record the following parameters:

(continued)

(1) with an accuracy of the greater of ± 0.75 percent of the temperature being measured, expressed in degrees celsius, of 2.5 degrees celsius, the exhaust gas temperature of all VOC destruction devices and the gas temperature immediately upstream and downstream of any catalyst bed; and

(2) with an accuracy of ± 2.00 percent of the amount being monitored, the cumulative amount of VOC recovered during a calendar month for all VOC recovery equipment; and

(3) any other parameters considered necessary by the department.

(h) The owner or operator of an affected facility shall keep and maintain at the facility, and make available for inspection by a department representative, records for each emission unit demonstrating continuous compliance with this regulation. The records shall include daily records of the following information and shall be kept at the facility for two years following the date of record:

(1) properties of inks as supplied: density in pounds per gallon, total volatile content in weight percent, total VOC content in pounds per gallon minus water, water content in weight percent, and nonvolatiles content in weight percent;

(2) properties of dilution solvents: chemical name and density in pounds per gallon;

(3) properties of inks as applied to substrate: weighted average density in pounds per gallon and ink dilution ratio in gallons of solvent to gallons of ink as supplied;

(4) quantity of individual inks as applied to substrate;

(5) results of any testing conducted on an emissions unit at an affected facility; and

(6) maintenance records of the vapor processing systems.

(i) The provisions of this regulation shall be applicable only to the printing operations located within areas which were identified as not meeting the national primary ambient air quality standard for ozone in the manner prescribed by the provisions of the federal clean air act, 42 U.S.C. 7407, as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective May 1, 1986; amended May 1, 1987; amended, T-88-55, Dec. 16, 1987.)

28-19-72. Gasoline dispensing facilities. (a) No owner or operator of a gasoline dispensing facility (GDF) or a gasoline delivery vessel (GDV) shall cause or permit the transfer of gasoline from any GDV into any stationary storage container with a capacity greater than 2000 gallons unless such container is equipped with a submerged fill pipe and a vapor balance system properly installed and in good working order.

(b) No owner or operator of a GDF or a GDV shall cause or permit the transfer of gasoline from any GDV into any stationary storage container with a capacity greater than 250 gallons, but equal to or less than 2000

gallons, unless such container is equipped with a submerged fill pipe.

(c) The transfer of gasoline from any GDV into any stationary storage container at an affected GDF shall be conducted in compliance with the following requirements:

(1) combustible organic vapors shall be less than 100 percent of the lower explosive limit, measured as propane, at one inch around the perimeter of any leak source on the GDV or the connected vapor balance system during the gasoline transfer operation. Compliance shall be determined in accordance with 40 CFR Part 60, appendix A, reference method 21, as in effect July 1, 1986, or by a method demonstrated to the satisfaction of the department to be equivalent to reference method 21;

(2) there shall not be any visible liquid leaks from the GDV or connections to the stationary storage container during the gasoline transfer operation;

(3) the GDV shall remain closed and contain all vapors collected during the gasoline transfer operation until such time as it is refilled in accordance with K.A.R. 28-19-70 if:

(A) refilled in areas which were identified as not meeting the national ambient air quality standard for ozone as described in subsection (h) of this regulation; or

(B) refilled at bulk gasoline terminals or bulk gasoline plants located in areas meeting the national ambient air quality standard for ozone as described also in subsection (h); and

(4) an owner or operator of an affected GDF or an affected GDV shall, during all transfer operations to an affected stationary storage container, inspect the vapor balance system and GDV connections for liquid gasoline or vapor leaks. Leak detection may be by sight, sound or odor. Each detection of a leak shall be recorded and described in records maintained by the GDF owner or operator at the GDF. Transfer operations shall cease until repair of the leak is accomplished.

(d) The vapor balance system shall be constructed so as to ensure that the gas tight vapor return line is connected to the GDV before gasoline can be transferred into the stationary storage container.

(e) GDV's, including the vessel's vapor collection system, that deliver gasoline to an affected GDF shall comply with K.A.R. 28-19-70(c).

(f) The owner or operator of an affected GDF shall:

(1) maintain written records for a period of at least two consecutive years at the GDF. The records shall be available upon request or for inspection by a department representative and shall specify:

(A) the name and address of the owner or operator of the GDV for each delivery of gasoline transferred into the stationary storage container or containers;

(B) the date of delivery and quantity of gasoline transferred;

(C) identification of and the date when each GDV servicing the GDF was last tested, and determined to comply with the pressure test in K.A.R. 28-19-70(c);

(D) the date when the GDF was last tested and

determined to comply with subsection (c)(1) and the name of the person performing the test;

(E) the date and extent of any repairs to the submerged fill pipe connection and vapor balance system at the GDF;

(F) the date of inspection, the description of findings and the corrective actions taken for the inspections conducted in subsection (c)(4); and

(2) notify the department, on forms supplied by the department, and before each March 2nd, that all GDV's servicing the GDF during the past calendar year complied with the requirements of K.A.R. 28-19-70(c).

(g) Each owner or operator of:

(1) an affected GDF shall comply with all requirements within 180 days after the GDF becomes subject to the provisions of this regulation;

(2) GDV's in service prior to the effective date of this regulation shall comply with applicable requirements of this regulation within 60 days after the GDV becomes subject to the provisions of this regulation; and

(3) GDV's entering service after the effective date of this regulation shall comply with applicable requirements of this regulation as of the date of entering service.

(h) This regulation shall be applicable only to affected GDF's which are located in and GDV's which operate in areas which were identified as not meeting the national ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective May 1, 1987; amended, T-88-55, Dec. 16, 1987.)

28-19-73. Surface coating of miscellaneous metal parts and products and furniture. (a) The provisions of this regulation shall be applicable to each miscellaneous metal parts and products and metal furniture coating application system at those facilities which have a VOC potential contaminant emission rate equal to or greater than three tons per year on a facility-wide basis. The VOC potential contaminant emission rate of a facility shall be determined by:

(1) the maximum hourly production rate of each coating application system; and

(2) assuming that the facility operates 24 hours per day, 365 days per year.

(b) This regulation shall not be applicable to the following manufacturing categories which have miscellaneous metal parts and products coating operations:

(1) automobiles and light duty trucks;

(2) metal cans;

(3) customized top coating of automobiles and trucks, if less than 35 vehicles per day are processed; and

(4) automobile refinishing.

Each facility subject to this regulation shall remain subject so long as this regulation remains in effect or

until the facility's VOC potential contaminant emission rate is demonstrated, to the satisfaction of the department, to be always less than three tons per year.

(c) An owner or operator of any facility subject to this regulation shall not conduct any surface coating operation that emits VOC to the atmosphere in excess of that which would be emitted by using the following coatings with the VOC content specified; (1) through (5) applicable to miscellaneous metal parts and products, (6) applicable to metal furniture:

(1) 4.3 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system that applies clear coatings;

(2) 3.5 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system that is air-dried or forced warm air-dried at temperatures up to 194°F;

(3) 3.5 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system that applies extreme performance coatings;

(4) 0.4 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system that applies powder coatings;

(5) 3.0 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system for any other coating;

(6) 3.0 pounds per gallon of coating, less water and exempt VOC, delivered to a coating application system for prime, topcoat or single coat operations.

(d) If more than one emission limitation in subsection (c) applies to a specific coating, than the least stringent emission limitation shall apply.

(e) Use of additional VOC shall be considered as follows:

(1) for determining the potential contaminant emission rate of the facility in accordance with subsection (a), include that added for thinning coatings and that used for purging or washing coating applicators which can not be otherwise accounted for in a reclamation system; and

(2) for compliance with subsection (c), include that added for thinning coatings.

(f) The emission limits which will result from the use of coatings in subsection (c) shall be achieved by:

(1) application of coatings which meet or exceed the requirements of subsection (c) per coating application system on a daily weighted average basis; or

(2) application of coatings with improved transfer efficiency demonstrated, through testing, by methods approved by the department, to achieve equivalent emissions based on the weight of VOC emitted per gallon of solids applied as would be emitted with the coatings specified in subsection (c) per coating application system on a daily weighted average basis; or

(3) application, for the capture and reduction of VOC emissions through either destruction or collection, of a VOC vapor processing system demonstrated through testing as capable of maintaining an overall VOC emission reduction of at least 90 percent. Use of a VOC vapor processing system shall require that continuous monitors be installed, calibrated, operated, and maintained. The continuous monitors

(continued)

shall continuously measure and record the following parameters:

(A) with an accuracy of the greater of ± 0.75 percent of the temperature being measured expressed in degrees celsius, or 2.5 degrees celsius, the exhaust gas temperature of all VOC destruction devices and the gas temperature immediately upstream and downstream of any catalyst bed;

(B) with an accuracy of ± 2.00 percent of the amount being monitored, the cumulative amount of VOC recovered during a calendar month for all VOC recovery equipment;

(C) maintenance records of the temperature monitoring equipment; and

(D) any other parameters considered by the department necessary to achieve compliance with this regulation.

(4) any combination of methods approved by the department which results in emissions, when calculated as pounds of VOC per gallon of solids applied per coating operation, that are no greater on a daily weighted basis than those achieved with the appropriate coatings specified in subsection (c).

(g) Prior to 180 days after a facility becomes subject to the provisions of this regulation, the owner or operator of the facility shall demonstrate, at the expense of the owner or operator, initial compliance with this regulation by testing. An owner or operator proposing to conduct testing shall notify the department, in writing, of the intent to test not later than 30 days prior to the proposed date of testing. The owner or operator shall submit to the department any information about the proposed test requested by the department. The department may require, at any time necessary to determine compliance with this regulation, the owner or operator of any facility subject to this regulation to demonstrate compliance with this regulation by testing at the expense of the owner or operator. Testing, for purposes of this regulation, shall be approved by the department and consistent with:

(1) 40 CFR Part 60, appendix A, as in effect July 1, 1986; and

(2) procedures as established by the department in approving proposed test plans consistent with subsection (g)(1).

(h) Demonstration of continual compliance per coating application system achieved by sections (f)(2) through (f)(4) shall be based on the finding that the results obtained by the formula in (2) are equal to or less than the results obtained by the formula in (1), both results on a daily weighted basis.

(1) complying coating equivalent emissions expressed as:

$$\frac{\text{VOC, lbs}}{\text{gal of solids applied}} = \frac{(\text{EL})}{(\text{TE})(\text{VS})}$$

EL = the coating characteristics established by this regulation, expressed as pounds of VOC per gallon of coating, less water and exempt VOC

TE = baseline transfer efficiency as defined at K.A.R. 28-19-61, expressed as a decimal

VS = volume fraction of solids in EL, expressed as a decimal, where the density of coating solvents is assumed to be 7.36 pounds per gallon.

(2) actual coating equivalent emissions expressed as:

$$\frac{\text{VOC, lbs}}{\text{gal of solids applied}} = \frac{(\text{AC})(1-\text{E})}{(\text{vs})(\text{te})}$$

AC = pounds of VOC per gallon of the actual coating delivered to the coating application system, operator, less exempt VOC and water

E = the demonstrated actual efficiency of installed vapor processing system determined by the actual vapor collection system efficiency multiplied by the actual VOC emissions control device efficiency, expressed as a decimal

vs = volume fraction of solids of the actual coating delivered to the coating application system, expressed as a decimal. For water-borne coatings, the volume fraction of solids is determined without water.

te = the actual demonstrated transfer efficiency of the coating application system, expressed as a decimal.

(A) The owner or operator shall determine AC and vs by formulation data determined by the reference method 24 one hour bake test in subsection (g)(1) supplied by the manufacturer of the coating, plus added VOC for thinning purposes, or from coating analysis conducted by the owner or operator in accordance with reference method 24. If manufacturers formulation data is used, the department may require the data be verified also by the reference method 24 one hour bake test, or a department approved equivalent method, and at the expense of the owner or operator.

(i) The owner or operator of each emission unit within a facility subject to this regulation shall keep and maintain records at the facility and make available for inspection by a department representative to determine continuous compliance of the facility with this regulation. The records shall include daily records of the following information and shall be kept at the facility for two years following the date of record:

(1) the type and amount of coatings delivered to a coating application system;

(2) the manufacturer's formulation data determined by the reference method 24 one hour bake test in subsection (g)(1) on each coating type;

(3) the coating's solids content, as delivered to the coating application system, in volume percent;

(4) the results of any testing conducted at the facility pertaining to transfer efficiencies, capture efficiencies or control equipment reduction efficiencies;

(5) the type, density and amount of solvents used for coating thinning, purge and equipment cleaning;

(6) amount, components and density of waste solvents reclaimed; and

(7) those records as required in subsections (f)(3)(A) through (f)(3)(D).

(j) The owner or operator of a facility shall comply with all emission limits within 180 days after the facility becomes subject to the provisions of this regulation.

(k) The provisions of this regulation shall be applicable only to affected facilities located in areas which have been identified as not meeting the national primary ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective May 1, 1987; amended, T-88-55, Dec. 16, 1987.)

28-19-74. Wool fiberglass manufacturing. (a) The provisions of this regulation shall be applicable to each wool fiberglass manufacturing facility which has a VOC potential contaminant emission rate equal to or greater than 100 tons per year on a facility-wide basis. A facility's VOC potential contaminant emissions rate shall be determined by:

(1) the facility owner or operator estimate of the maximum hourly production rate of each wool fiberglass manufacturing line; and

(2) assuming that the facility operates 24 hours per day, 365 days per year.

(b) No owner or operator of a wool fiberglass manufacturing line shall cause or allow VOC to be discharged into the atmosphere in excess of five pounds of VOC per ton of glass pulled.

(c) The owner or operator of the affected facility shall demonstrate that each wool fiberglass manufacturing line is in compliance with the VOC emissions rate of subsection (b) through testing as specified in subsection (d) and calculations as specified in subsection (f).

(d) Testing of each wool fiberglass manufacturing line shall be conducted:

(1) initially within 180 days after a facility becomes subject to the provisions of this regulation, if recent department approved testing has not been conducted prior to the time the facility becomes subject to the provisions of this regulation, and thereafter at other times considered by the department necessary to determine compliance with this regulation;

(2) at the expense of the owner;

(3) in accordance with a test plan approved by the department before the testing is scheduled. The plan shall include:

(A) name of testing agency;

(B) testing dates;

(C) sampling location;

(D) sampling equipment;

(E) sampling procedures;

(F) sample recovery methods; and

(G) any other information considered necessary by the department;

(4) not less than 30 days after the owner or operator submits, in writing, the proposed date of testing to the department; and

(5) in a manner consistent with:

(A) procedures established by the department in approving test plans;

(B) 40 CFR Part 60, appendix A, reference method 5E, as in effect July, 1986, with the following stipulations:

(i) the sampling time for each test run being at least two hours and the volume of gas sampled being at least 90 dry standard cubic feet;

(ii) samples collected in the impingers shall be recovered as specified in "Container No. 5" in paragraph 4.2;

(iii) samples shall be analyzed as specified for "Container No. 5" in paragraph 4.3; and

(iv) the concentration of VOC shall be calculated as specified for "Cc" in paragraphs 6.1 and 6.2; and

(C) the reference methods of 40 CFR Part 60, ap-

pendix A, as in effect July 1, 1986, for the collection of data required during the testing procedure, as follows:

(i) reference method 1 for stack or duct gas sample and velocity traverses;

(ii) reference method 2 for stack or duct gas velocity and gas volumetric flow rate;

(iii) reference method 3 for stack or duct gas dry molecular weight; and

(iv) reference method 4 for stack or duct gas moisture content.

(e) In addition to the parameters required to be recorded in subsection (d), the owner or operator shall concurrently record the following parameters relating to baseline operating conditions at each wool fiberglass manufacturing line:

(1) the product being produced;

(2) glass pull rate, weight per unit time;

(3) binder type;

(4) binder application rate, weight per unit time;

(5) line speed where applicable, length per unit time;

(6) trimmed mat width where applicable, length;

(7) mat weight where applicable, weight per unit area;

(8) loss on ignition as determined by ASTM Standard Test Method D-2584-68, "Ignition Loss of Cured Reinforced Resin," percent; and

(9) the operating parameters of any VOC emissions control devices at least once during each eight hour work shift, such as:

(A) electrostatic precipitator electrical data and inlet temperature;

(B) wet scrubbing device water flow rate, volume per unit time;

(C) wet scrubbing device pressure drop, pressure units; and

(10) other parameters determined by the department to be necessary to establish baseline conditions of the control system.

(f) The actual VOC emissions rate, to be used in determining compliance with the VOC emissions rate of subsection (b), shall be calculated as follows:

(1) The VOC emissions rate, R, from each wool fiberglass manufacturing line being determined using the VOC concentration, Cc, determined in subsection (d)(5)(B)(iv) and the volumetric flow rate, Q, as determined in subsection (d)(5)(C)(ii), using the following equation:

$$R = CcQ$$

where:

R = weight of VOC per unit time

Cc = weight of VOC per unit volume

Q = volumetric flow rate of gas stream at testing location, actual volume per unit time;

(2) for each two hour test run, the average glass pull rate, P, for each wool fiberglass manufacturing line shall be computed from at least three glass pull rates determined at intervals of at least 30 minutes during the test run. The individual glass pull rates shall be:

(A) computed according to the following equation:

$$P = \frac{LWM(100 - LOI)}{100}$$

100

(continued)

where:

P = glass pull rate, weight per unit time

L = line speed, length per unit time

W = trimmed mat width, length

M = mat weight, weight per unit area

LOI = loss on ignition, percent, as determined by ASTM Standard Test Method D-2584-68, "Ignition Loss of Cured Reinforced Resins," as in effect 1979; or

(B) determined by measurements of the glass flowing from the rotary spinning process; and

(3) the emissions level, E, for purposes of determining compliance with subsection (b), being computed using the following equation:

$$E = \frac{R}{P}$$

where:

E = emission level, weight of VOC emissions per unit weight of product, converted to units of the emissions standard in subsection (b)

R = emission rate, from subsection (f)(1)

P = average glass pull rate, from subsection (f)(2)

(g) The owner or operator of each wool fiberglass manufacturing line subject to this regulation shall keep and maintain at the facility, and make available for inspection by a department representative, records needed to determine continuous compliance of the plant with this regulation. The owner or operator shall keep the records in a form suitable for inspection and shall maintain them at the facility for two years following the date of record. The owner or operator shall maintain a record of the production parameters listed in subsection (e) and any other parameter the department may consider to be necessary to determine compliance with this regulation.

(h) The provisions of this regulation shall be applicable only to affected facilities in areas which have been identified as not meeting the national primary ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective May 1, 1987; amended, T-88-55, Dec. 16, 1987.)

28-19-75. Solvent metal cleaning. (a) The provisions of this regulation shall be applicable to cold cleaning, open top vapor degreasing and conveyORIZED degreasing operations. ConveyORIZED degreasers having less than 21.5 square feet of air-vapor interface and open top degreasers having an open area that is less than 10.75 square feet shall be exempt from any requirements to be equipped with either refrigerated chillers or carbon adsorbers.

(b) Except as provided under subsection (a) of this regulation, the owner or operator of each cold cleaning facility shall meet the following requirements.

(1) Each owner or operator shall equip the cleaner with a cover to reduce effects of air currents on solvent vapors and the cover shall be designed so that it can be easily operated with one hand when:

(A) the solvent true vapor pressure is greater than

0.3 pounds per square inch absolute (psia) when measured at 100°F;

(B) the solvent is agitated; or

(C) the solvent is heated.

(2) If the solvent true vapor pressure is greater than 0.6 psia when measured at 100°F, the owner or operator shall equip the cleaner with provisions for draining cleaned parts while the parts are within the cleaner and enclosed under the cover. If the parts cannot fit into the cleaning system and under the cover while draining, the parts may be drained outside of the cleaning system under an appropriate covering and the external drainage has received prior approval by the department. The decision for approval will be based on a demonstrated ability to meet emission rates which would meet the requirements of this regulation.

(3) Each owner or operator shall install one of the following control devices if the solvent true vapor pressure is greater than 0.6 psia measured at 100°F, or if the solvent is heated above 120°F:

(A) a freeboard that gives a freeboard ratio greater than or equal to 0.7;

(B) a water cover for solvents that are insoluble in and heavier than water;

(C) other systems of control, including a refrigerated chiller or carbon adsorption with a VOC emissions reduction efficiency demonstrated to the satisfaction of the department to be 65 percent or greater.

(4) Each owner or operator shall attach a permanent, conspicuous label to the cleaner near the operator's position summarizing the operating requirements of the equipment.

(5) Each owner or operator shall store waste solvent only in covered containers and shall not dispose of waste solvent or transfer it to another party, such that the waste solvent can evaporate into the atmosphere.

(6) Each owner or operator shall close the cover whenever parts are not being handled in the cleaner.

(7) Each owner or operator shall drain the cleaned parts for at least 15 seconds or until dripping ceases.

(8) If a solvent spray is used, the spray shall be a solid fluid stream at an operating pressure of 10 pounds per square inch gauge (psig) or less, not an atomized or shower type spray.

(c) Except as provided under subsection (a) of this regulation, the owner or operator of an open top vapor degreaser shall:

(1) equip the vapor degreaser with a cover that can be opened and closed easily without disturbing the vapor zone;

(2) provide the following safety switches:

(A) a condenser coolant flow and high level thermostat switch which shut off the pump heat if the condenser coolant is either not circulating or is too warm;

(B) a spray safety switch which shuts off the spray pump if the vapor level drops more than four inches;

(C) solvent level control;

(D) sump thermostat;

(E) vapor level control thermostat; and

(3) install one of the following devices to control VOC emissions:

(A) a powered cover, if the freeboard ratio is greater than or equal to 0.75 and if the degreaser opening is greater than 10 square feet;

(B) a refrigerated chiller;

(C) an enclosed design in which the cover or door opens only when the dry part is actually entering or exiting the degreaser;

(D) a carbon adsorption system, with ventilation greater than or equal to 50 cubic feet per minute per square foot of degreaser opening during degreaser operation, and exhausting less than 25 parts per million of solvent when averaged over one complete adsorption cycle; or

(E) a vapor processing system, demonstrated to have an overall emissions control reduction efficiency demonstrated to the satisfaction of the department to be 65 percent or greater;

(4) keep the cover closed at all times except when processing work loads through the degreaser;

(5) minimize solvent carryout by:

(A) racking parts to allow complete drainage;

(B) moving parts in and out of the degreaser at less than 11 feet per minute;

(C) holding the parts in the vapor zone at least 30 seconds or until condensation ceases;

(D) tipping out any pools of solvent on the cleaned parts before removal from the vapor zone;

(E) allowing parts to dry within the degreaser for at least 15 seconds or until visually dry;

(6) not degrease porous or absorbent materials, including cloth, leather, wood or rope;

(7) not occupy more than half of the degreaser's open top area with a workload;

(8) not load the degreaser to the point where the vapor level would drop more than four inches when the workload is removed from the vapor zone;

(9) always spray below the vapor level;

(10) repair solvent leaks immediately, or shutdown the degreaser until repairs are made;

(11) store waste solvent only in covered containers and not dispose of waste solvent or transfer it to another party in a manner allowing the waste solvent to evaporate into the atmosphere;

(12) not operate the cleaner so as to allow water to be visually detectable in solvent exiting the water separator;

(13) not use ventilation fans near the degreaser opening, nor provide exhaust ventilation exceeding 65 cubic feet per minute per square foot of degreaser open area, unless necessary to meet OSHA regulations; and

(14) attach a permanent, conspicuous label, summarizing the operating procedures described in subsections (c)(4) through (c)(12) of this regulation, to the cleaner near the operator's position.

(d) Except as provided under subsection (a) of this regulation, the owner or operator of each conveyerized degreaser shall:

(1) not use workplace fans near the degreaser opening, nor provide exhaust ventilation exceeding 65 cubic feet per minute per square foot of degreaser opening, unless necessary to meet OSHA regulations; and

(2) install one of the following control devices:

(A) a refrigerated chiller;

(B) a carbon adsorption system, with ventilation greater than or equal to 50 cubic feet per minute per square foot of air-vapor area during operation of degreaser, and exhausting less than 25 parts per million of solvent by volume when averaged over a complete adsorption cycle;

(C) a vapor processing system demonstrated to have an overall VOC emissions control reduction efficiency demonstrated to the satisfaction of the department to be 65 percent or greater;

(3) equip the cleaner with equipment, such as a drying tunnel or a rotating or tumbling basket, sufficient to prevent cleaned parts from carrying out solvent liquid or vapor;

(4) provide the following safety switches:

(A) a condenser coolant flow and high level thermostat switch which shut off the pump heat if the condenser coolant is either not circulating or is above the recommended posted temperature;

(B) a spray safety switch which shuts off the spray pump or the conveyor if the vapor level drops more than four inches;

(C) a vapor level control thermostat which shuts off the pump heat when the vapor level rises above the recommended level;

(D) solvent level control; and

(E) sump thermostat;

(5) minimize openings during operation so that entrances and exits will silhouette workloads with an average clearance between the parts and the edge of the degreaser opening of less than four inches or less than 10 percent of the width of the opening;

(6) install and operate covers for closing off the entrance and exit during non degreasing operations;

(7) minimize carryout emissions by:

(A) racking parts for best drainage; and

(B) maintaining the conveyor speed at less than 11 feet per minute;

(8) store waste solvent only in covered containers and not dispose of waste solvent or transfer it to another party in a manner allowing the waste solvent to evaporate into the atmosphere;

(9) repair solvent leaks immediately, or shut down the degreaser until such repairs are made;

(10) not operate the cleaner so as to allow water to be visually detectable in solvent leaving the water separator; and

(11) install and use covers over entrances and exits of conveyerized degreasers when degreasing is not conducted.

(e) The owner or operator of each affected facility shall comply with applicable requirements within 180 days after the facility becomes subject to the provisions of this regulation.

(f) The owner or operator shall keep records of the following information on a monthly basis. The records shall be kept for a minimum of two years from the date of record:

(1) the hours of operation of each degreasing operation;

(continued)

- (2) the amount of solvents and type purchased.
- (3) the amount and type of solvents used per month; and
- (4) all records pertaining to the maintenance of the degreaser and any associated emission control equipment.
- (g) The provisions of this regulation shall be applicable only to cold cleaning, open vapor top degreasing and conveyerized degreasing operations located in areas which have been identified as not meeting the national ambient air quality standard for ozone in the manner prescribed by the provisions of Section 107(d) of the federal clean air act, 42 U.S.C. 7407 as promulgated at 40 CFR Part 81 as in effect July 1, 1986 and amended at 51 Fed. Reg. 25,200 July 11, 1986. (Authorized by and implementing K.S.A. 65-3005, 65-3010; effective May 1, 1987; amended, T-88-55, Dec. 16, 1987.)

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

Doc. No. 006193

State of Kansas
SOCIAL AND REHABILITATION SERVICES

**TEMPORARY ADMINISTRATIVE
REGULATIONS**

**Article 4.—PUBLIC ASSISTANCE
PROGRAM**

30-4-41. Assistance planning. (a) Definitions.

(1) "Family group" means the applicant or recipient and all individuals living together in which there is a relationship of legal responsibility or a caretaker relative relationship.

(2) "Mandatory filing unit" means all persons in the family group whose needs or resources are required to be considered in determining eligibility and amount of payment as outlined in K.A.R. 30-4-74 for ADC purposes and K.A.R. 30-4-90 for GA purposes. If the agency is unable to determine who is required to be a member of the mandatory filing unit as a result of an applicant's or recipient's failure to cooperate in providing necessary information or in complying with an eligibility requirement that is within the applicant's or recipient's control, those persons who would otherwise be required to be in the mandatory filing unit had the applicant or recipient cooperated shall be ineligible for assistance.

(3) "Caretaker relative" means the relative who is assigned the primary responsibility for the care and control of the child, either singly, or as in the case of two parents, jointly. Caretaker relative status shall be extended to the adult relative of a minor parent when assistance is requested for the child of a minor parent.

(4) "Eligible relative" means a caretaker relative who is considered in the plan with the child. A stepparent shall not be considered as an eligible relative unless the stepparent is the only caretaker relative in the home and is financially eligible.

(5) "Legally responsible relative" means the person who has the legal responsibility to provide support for the person in the plan.

(6) "Essential person" means an individual in the home who:

(A) Does not otherwise qualify for ADC;

(B) is a stepparent spouse or the spouse of the eligible relative who:

(i) Meets the job search requirement;

(ii) meets the CWEP requirement;

(iii) meets the WIN requirement; or

(iv) is exempted from the requirements; or

(C) is in the degree of relationship for ADC purposes and whose presence is required for the care and supervision of a child under six years of age; or for care and supervision of a person who has a medically determined condition which does not permit self-care, if care is not available from another person in the home.

(7) "Nonessential person" means an individual who does not meet the ADC criteria for eligible relative or essential person. Nonessential person shall not include an individual who is eligible for ADC.

(b) The assistance plan shall consist of those members of the mandatory filing unit and any other persons in the family group for whom assistance is requested and eligibility is determined. Any individual excluded from the assistance plan shall not be eligible in a separate assistance plan. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-57. Job search requirements. (a) Each assigned recipient, unless exempted, shall be required to participate in an agency-approved job club or related activity and agree to seek and accept available employment. Any recipient may volunteer to participate in an agency-approved job club or related activity. A person shall not be required to spend more than 320 hours per year in job search activities.

(b) Exemptions. The persons listed below shall be exempt from the job search requirement:

(1) Persons registered for the work incentive program;

(2) any child in an ADC or ADC-FC program who is under age 16 or attending school full time;

(3) any child in a GA program who is under age 16, or is between the ages of 16 and 18 and is attending school full-time. The definition of full-time is the same as for ADC eligibility;

(4) any person who is ill or injured. The illness or injury shall temporarily prevent entry into employment as established by medical information from an official source;

(5) any person who is incapacitated. An incapacitated individual is any individual who has a medically determined physical or mental impairment which, by

itself or in conjunction with age, prevents employment and is expected to continue at least 30 days. A person shall meet one of the following criteria to establish a physical or mental incapacity as provided by subsection (b)(5) of K.A.R. 30-4-57:

(A) Eligibility for OASDI or SSI benefits based on disability;

(B) a written or oral statement by a psychologist, optometrist or an individual licensed by the board of healing arts, within the scope of that person's professional competence;

(C) a written diagnostic team evaluation from an agency, including the veteran's administration, vocational rehabilitation, or a mental health clinic shall establish an incapacity; or

(D) in the case of a GAU recipient, a statement from a vocational rehabilitation counselor may establish an incapacity. When an individual claims exempt status due to incapacity, but medical verification is needed to establish the incapacity, the individual shall be regarded as temporarily exempt for a period not to exceed 30 days while the individual's status is being verified. If verification is not provided because of a legitimate delay in obtaining an examination by or a consultation with a medical practitioner, the temporary exemption period shall be extended for a period not to exceed 15 days;

(6) any person who is age 65 or over;

(7) any person who is too remote from potential employers. The criteria for remoteness is met when potential employers are located two miles or more from the person's home and when transportation is not available. If the person has transportation available, round trip travel time of more than two hours, exclusive of time required to transport a child to and from a child care facility, qualifies as too remote;

(8) any person whose presence is required at home because of a verified, medically determined condition of another member of the home whose condition does not permit self-care, and when the care is not available from another person in the home;

(9) any woman who is at least six months pregnant;

(10) any parent or other relative personally providing care for a child under six years of age with only brief and infrequent absences from the child, except when the absence is for the purpose of employment or an agency-approved, work-related activity;

(11) for ADC, any parent or other caretaker of a child who is deprived for a reason other than the unemployment of a parent when another adult relative in the plan is actively seeking employment;

(12) for ADC-UP, any parent if the other parent is the principal wage earner and is actively seeking employment;

(13) any person who is employed full-time or any person who has a physical or mental impairment and who is working to that person's capacity. Full-time is determined as at least 30 hours per week, with gross earnings, or adjusted gross earnings for the self-employed, that are equal to or in excess of \$100.00 per week;

(14) any person who is attending high school full-time;

(15) any person who is residing in a licensed or certified alcohol and drug abuse facility;

(16) any person participating in vocational rehabilitation program training; and

(17) any person for whom searching for employment conflicts with the responsibility for care and supervision of children at home. The agency shall consider the effect of searching for employment on necessary care and supervision of the children unless it is established that adequate and satisfactory plans can be developed for providing care and supervision of the children during absence from the home.

(c) Job search reimbursement. Any person who is assigned to and who participates in an agency-approved job club or related activity on either a mandatory or voluntary basis shall be reimbursed for job-seeking transportation and day care expenses pursuant to K.A.R. 30-4-120(a)(2).

(d) Penalty. A first-time failure of a nonexempt ADC or ADC-FC person to meet the job search requirements, without good cause, shall render the individual ineligible for assistance for three months and a subsequent failure shall result in ineligibility for six months. A first time failure of a nonexempt GA individual to meet the job search requirements without good cause shall render the individual, and all persons for whom that individual is legally responsible, ineligible for three months and a subsequent failure shall result in ineligibility for six months. A first time failure of a principal wage earner in ADC-UP to meet the job search requirements without good cause shall render the individual, and all persons in the mandatory filing unit, ineligible for three months and a subsequent failure shall result in ineligibility for six months. If the person becomes exempt during the penalty period, the penalty shall not be delayed or waived. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended, E-82-19, Oct. 29, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-33, Dec. 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-62. Community work experience program requirements. Each adult recipient, unless exempt, shall be required to participate in a community work experience program (CWEP) to enhance their ability to obtain employment. Any exempt recipient may volunteer for participation in a CWEP project. The secretary shall designate the geographic areas in the state and the public assistance programs in which the CWEP requirements are to be enforced. (a) Exemptions. The persons listed below shall be exempt from the requirements of this provision:

(1) Any person who is ill or injured as outlined in K.A.R. 30-4-57(b)(3);

(2) any person who is incapacitated as outlined in K.A.R. 30-4-57(b)(4);

(3) any person who is age 65 or over;

(continued)

(4) any person who is too remote. The criteria for remoteness is met when the CWEP project is located two miles or more from the person's home and transportation is not available. If the person has transportation available, round trip travel time of more than two hours, exclusive of time required to transport a child to and from a child care facility, shall qualify as too remote;

(5) any person whose presence is required at home because of a verified, medically determined condition of another member of the household whose condition does not permit self care, and when care is not available from another person in the home. The duration of the exemption shall coincide with the need for care of the other family member;

(6) any parent or other relative personally providing care for a child under the age of six with only brief and infrequent absences from the child, except when the absence is for the purpose of employment;

(7) any woman who is at least six months pregnant;

(8) any parent or other caretaker of any child who is deprived for a reason other than the unemployment of a parent when another adult relative in the plan is participating in CWEP;

(9) any spouse when another adult relative in the plan is participating in CWEP;

(10) for ADC-UP, a parent, if the other parent is the principal wage earner and is participating in CWEP;

(11) for ADC and ADC-UP, any person who is employed 80 hours or more per month and who, if such employment is subject to the federal minimum wage, is earning the federal minimum wage or more, and for GA, any person who is employed full time;

(12) any person who has a physical or mental impairment and who is working to that person's capacity;

(13) any person who is residing in a licensed or certified alcohol and drug abuse facility;

(14) any person who is attending high school full-time;

(15) any person who is participating in vocational rehabilitation program training;

(16) any person who is required to participate, but for whom an appropriate project is not available;

(17) any person who is required to participate, but whose assignment would be less than three days;

(18) any person who is actively participating in a job club or related activity approved by the agency; and

(19) any person for whom participation conflicts with the responsibility for care and supervision of children at home. The agency shall consider the effect of possible assignment on necessary care and supervision of the children unless it is established that adequate and satisfactory plans can be developed to provide care and supervision of the children during absence from the home.

(b) CWEP project requirements. CWEP projects shall not subsidize private enterprise and shall only be developed with public-funded organizations and with private not-for-profit corporations providing assistance to needy persons. Each project shall meet certain requirements which shall be covered in a written agreement between the area manager and the CWEP

project and approved by the secretary. The agreement shall provide that the project:

(1) Serves a useful public purpose;

(2) does not result in the displacement of persons currently employed or in the filling of established, unfilled position vacancies;

(3) is not in any way related to political, electoral, or partisan activities;

(4) is not in violation of applicable health and safety standards. The project shall provide reasonable work conditions; and

(5) does not interfere with or will not be in response to a bona fide labor dispute. The project shall not violate any existing labor agreements.

(c) Participant protection. The agency shall provide medical and subsistence assistance for all project participants who are injured on a project, or if they become ill or incapacitated as the result of participation. The participant shall be referred to vocational rehabilitation and shall continue to receive financial and medical assistance as needed.

(d) Participant information. Each person assigned to a project shall be informed in writing at the time of assignment of the number of hours to be worked, when the assignment will begin, where the work project is located, when the participant will be expected to complete the assignment, the necessity to cooperate with the agency and the project, the consequences if the participant does not complete the assignment, and the participant's right to have time to seek other employment.

(e) Work required to be performed. The work shall be within the ability of the person to perform and shall take into consideration, to the extent possible, the prior training, proficiency, experience and skills of each participant. Project participation shall not be construed as work performed for compensation.

(f) Hours to be worked. The number of hours to be worked shall be determined by dividing the amount of assistance paid, excluding special allowances, by the federal minimum wage. A recipient shall not be required to work longer in any month than is necessary to work out assistance received in that month. The recipient shall not be required to work more than 15 full eight-hour days in any month. A participant shall be assured the equivalent of one working day each week to seek employment.

(g) Participant reimbursement. Participants shall be reimbursed for work-related transportation, day care and other expenses approved by the agency as outlined in K.A.R. 30-4-120(a)(1).

(h) Failure to participate. Any nonexempt participant who fails to complete a work assignment without good cause or who is terminated from a project with good cause shall be ineligible. The period of ineligibility for a first time failure to complete the assignment shall be three months and any later failure shall result in ineligibility for six months. In ADC, the penalty shall apply to the assigned individual. For GA, the penalty shall apply to the assigned individual and all persons for whom the individual is legally responsible. For the principal wage earner in ADC-UP, the

penalty shall apply to the individual and all persons in the mandatory filing unit. If the person becomes exempt during the penalty period, the penalty shall not be delayed or waived. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1983; amended May 1, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-33, Dec. 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-74. Persons whose needs shall be considered with the needs of the ADC child. (a) The needs of the parents and all blood-related and adoptive siblings who meet the criteria contained in K.A.R. 30-4-72 and K.A.R. 30-4-73, excluding those persons set forth below shall be included in determining the needs of the ADC child if the parents or siblings are living with the ADC child. If appropriate, the needs of a caretaker relative other than a parent and an essential person shall be considered with the needs of the ADC child. A needy and otherwise eligible caretaker relative shall not be excluded from the assistance plan if the eligible caretaker relative is temporarily absent from the home due to employment, illness or incapacity, providing the individual continues to maintain care and control of the child.

(b) The needs of certain parents and siblings who are not otherwise eligible for ADC shall be excluded in determining eligibility of the ADC child. However, the resources of certain parents and siblings shall, unless the resources are specifically exempt, be included in determining eligibility of the ADC child. Such parents and siblings include:

- (1) SSI recipients;
- (2) persons who are ineligible due to the receipt of lump sum income;
- (3) persons who are ineligible due to a sanction;
- (4) minor parents whose needs are met through foster care payments; and
- (5) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-75. ADC work incentive program registration requirements. (a) An applicant, recipient, or essential person, unless exempted, shall register for and participate in manpower services, training, and employment (WIN).

(b) Exemptions. The WIN office may request a review of the exempt status of any individual. Upon making the request the WIN office shall state the specific reasons for the request. Within 30 days of the receipt of the request, the agency shall review the exempt status of the individual and file a report with the WIN office. If the agency fails to file the report within the 30-day period, the WIN office may exempt the individual. However, an agency decision regard-

ing the exempt status of an individual shall be binding upon the WIN office. The persons listed below shall be exempt from WIN participation:

(1) A child who is under age 16 or attending school full time. The definition of full time is the same as for ADC eligibility;

(2) a person who is ill or injured. The illness or injury shall temporarily prevent entry into employment or WIN training and shall be established by medical information from an official source. The basis for exempt status shall be documented and the exempt status shall be redetermined every 30 days;

(3) a person who is incapacitated. There shall be a medically determined physical or mental impairment which by itself, or in conjunction with age, prevents employment or WIN training. Incapacity for WIN participation shall be established in the same manner as ADC incapacity. When an individual claims exempt status due to incapacity, but medical verification is needed to establish this, the individual shall be regarded as temporarily exempt for a period not to exceed 30 days while the individual's status is being verified. However, if verification is not provided because of a legitimate delay in the individual's being seen by a medical practitioner, the temporary exemption period shall be extended for a period not to exceed 15 days. An applicant or recipient who is determined to be exempt from participation because of incapacity shall be referred to vocational rehabilitation (VR). Acceptance of the referral shall be optional. These individuals shall be referred to VR even though they may volunteer to participate in WIN;

(4) a person who is age 65 or over;

(5) a person who is so remote from a work incentive project that effective participation is precluded. This includes persons who would have to travel more than two hours per day round trip by reasonable public or private transportation to participate in a WIN project, exclusive of the time necessary to transport a child to and from a child care facility;

(6) a person who is living in a non-WIN county;

(7) a person whose presence is required at home because of a verified medically determined condition of another member of the household, whose condition does not permit self-care, and when care is not available from another person in the home. The duration of the exemption shall coincide with the need for care of the other family member;

(8) a parent or other relative personally providing care for a child under the age of six with only brief and infrequent absences from the child, except when the absence is for the purpose of employment or an agency-approved, work-related activity;

(9) a woman who is at least six months pregnant;

(10) a parent or other caretaker of a child who is deprived for a reason other than the unemployment of a parent when another adult relative in the home has not refused to participate in the program or to accept employment without good cause;

(11) for ADC-UP, a parent, provided that the other parent who is the principal wage earner is participating; and

(continued)

(12) a person who is employed full time. Full time is determined as 30 hours per week.

(c) Registration procedures. WIN registration shall be accomplished by the applicant or recipient signing the application for assistance. The signing of the application registers the individual and all non-exempt persons in the assistance plan for WIN. A mandatory registrant who refuses to participate shall be ineligible for assistance. Mandatory registrants who are determined by the WIN office to have failed to participate without good cause shall be ineligible for assistance. If the mandatory registrant is the principal wage earner in ADC-UP, all persons in the mandatory filing unit shall be ineligible. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-90. Eligibility factors specific to the GA-unrestricted (GAU) program. (a) Each applicant or recipient shall meet the applicable general eligibility requirements of K.A.R. 30-4-50, and the specific eligibility requirements set forth below, to be eligible for GAU.

(1) Each applicant or recipient and the members of the assistance family group for whom the applicant or recipient is legally responsible, shall be ineligible for GAU if the applicant or recipient:

(A) Is eligible for a federal program; or
(B) has been rendered ineligible for a federal program due to a voluntary action on the part of the applicant or recipient.

(2) Each applicant or recipient and the members of the assistance family for whom the applicant or recipient is legally responsible shall be ineligible for GAU if the applicant or recipient:

(A) Refuses to accept a referral to the vocational rehabilitation program;
(B) is eligible for vocational rehabilitation program services and has refused services; or
(C) has been rendered ineligible for vocational rehabilitation program services due to a voluntary action on the part of the applicant or recipient.

(3) Each applicant or recipient, and the members of the assistance family for whom the applicant or recipient is legally responsible, shall be ineligible for GAU if the applicant or recipient:

(A) Is eligible for vocational rehabilitation program benefits related to maintenance; or
(B) has been rendered ineligible for these benefits due to a voluntary action on the part of the applicant or recipient.

(4) Each applicant or recipient and all persons for whom the applicant or recipient is legally responsible, if living together, shall be within at least one of the following categories to be eligible for GAU:

(A) Parents and their minor children who are living together provided the parents are not voluntarily unavailable for employment. A person shall not be considered voluntarily unavailable for employment if the

person is attending high school full-time or is participating in an agency-approved work related activity. Assistance under this provision may not be denied solely because a person is participating in post-secondary education or training activities during other than normal working hours. Assistance under this provision shall also be granted to non-ADC children who are living with a guardian or a personal representative who is not within the degree of relationship for ADC;

(B) a person who has been determined to be physically incapacitated as set forth in K.A.R. 30-4-57(b)(4), or determined to be incapacitated by a vocational rehabilitation counselor;

(C) a person who has been medically or psychologically determined to be mentally retarded;

(D) a person who has been medically or psychologically determined to be mentally ill to the extent that the condition constitutes a substantial handicap to gainful employment and who is actively participating in a treatment program. A statement from a vocational rehabilitation counselor may be used to determine eligibility under this provision;

(E) a person whose presence is required at home because of a verified, medically determined condition of another member of the home whose condition does not permit self-care, and when the care is not available from another person in the home;

(F) a person who is participating in vocational rehabilitation program training;

(G) a person who is residing in a licensed or certified alcohol and drug abuse facility;

(H) a person who is age 55 or older;

(I) a woman who is pregnant and not eligible for APW. If married, her husband shall also be included in the same assistance plan if they are living together. Neither the pregnant woman nor her husband shall be voluntarily unavailable for employment; or

(J) a parent or parents of a child who has been removed from the home and placed in foster care, provided that there is an agency-approved plan to return the child to the home.

(5) The needs of the applicant or recipient and all persons for whom the applicant or recipient is legally responsible shall be included in the same assistance plan, if living together, except for persons who are not otherwise eligible. The needs of certain persons in the family group who are not otherwise eligible shall be excluded in determining eligibility for GAU. However, the resources of certain persons in the family group shall, unless the resources are specifically exempt, be included in determining eligibility for GAU. Such persons include:

(A) SSI recipients;

(B) persons who are ineligible due to the receipt of lump sum income;

(C) persons who are ineligible due to a sanction;

(D) minor parents whose needs are met through foster care payments; and

(E) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions.

(b) A presumptive eligibility determination shall be

made for persons who are being released from a medicaid-approved psychiatric hospital in accordance with an approved discharge plan. Minimally, the presumptive determination shall be based on available information concerning the person's income and resources. The general eligibility requirements of K.A.R. 30-4-50 may be waived until a formal eligibility determination is completed. Assistance provided shall equal 100% of the applicable GAU budgetary standards and the provision of subsection (a)(1) of K.A.R. 30-4-140 shall be waived. Assistance under this provision shall not exceed the month of discharge and the two following months. The department may extend assistance under this provision beyond the three-month limitation for good cause.

(c) Each applicant or recipient who refuses to authorize the department to file for and claim reimbursement from the social security administration for the amount of GAU provided the individual pending a determination of eligibility for the supplemental security income program shall be ineligible for GAU. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended May 1, 1982; amended, T-84-8, March 29, 1983; amended May 1, 1983; amended, T-84-9, March 29, 1983; amended May 1, 1984; amended, T-85-34, Dec. 19, 1984; amended May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-100. Payment standards for budgetary requirements in the ADC, ADC-FC, APW, GA and GA-FC programs. The standards contained in K.A.R. 30-4-101 and 30-4-102, and the designated special requirements set forth in K.A.R. 30-4-120, shall be used in determining total budgetary requirements. An applicant or recipient shall not be eligible to have a standard included in the computation of the applicant's or recipient's budgetary requirements if the agency or another state's assistance program has issued the applicant or recipient a payment for the same maintenance items in the same calendar month. (a) ADC, APW, GAU pregnant women and GAU cases with one or more children included in the assistance plan budgeting. Budgeting shall be predicated upon the total number of persons in the assistance plan.

(1) The basic standard and 100% of the shelter standard shall be used when:

(A) All persons in the home are in the same assistance plan;

(B) the only person in the home not in the plan is an SSI recipient to whom the $\frac{1}{3}$ reduction is applied because the person lives in the household and receives support and maintenance in kind;

(C) there is a bona fide commercial landlord-tenant relationship between the family group and the other persons in the home; or

(D) all persons in the plan are in a specialized living, commercial board and room, or commercial room-only living arrangement.

(2) The basic standard, plus a percentage reduction

of the shelter standard, shall be used when there are one or more persons residing in the home who are not included in the assistance plan, except as set forth in paragraphs (B), (C) and (D) above. The percentage reduction shall be as follows:

- (A) 60% reduction for one person in the plan;
- (B) 50% reduction for two persons in the plan;
- (C) 40% reduction for three persons in the plan;
- (D) 35% reduction for four persons in the plan;
- (E) 30% reduction for five persons in the plan; and
- (F) 20% reduction for six or more persons in the plan.

(b) GAU program budgeting for single persons or married couples with no children included in the assistance plan. Budgeting shall be predicated upon the total number of persons in the household. For budgeting, a household consists of one or more persons living as an economic unit and sharing in any of the maintenance items included in the basic standard or shelter standard. The basic and shelter standards shall be used for all persons in the assistance plan who are maintaining their own home, sharing a family home with others or living in a specialized living, commercial board and room, or commercial room-only living arrangement.

(1) The budgetary standards, excluding the amount designated as an energy supplement, shall equal 80% of the total budgetary requirements with the following exceptions:

(A) Persons receiving care or supervision;

(B) assistance plans in which a person has been assigned to a community work experience program;

(C) assistance plans in which a person is participating in vocational rehabilitation program training;

(D) persons residing in specialized living arrangements; and

(E) assistance plans in which a person is participating in an agency-approved work-related activity.

(2) For persons living alone, maintaining a separate household, or residing in a specialized living, commercial board and room, or commercial room-only living arrangement, the basic and shelter standards shall be used.

(3) For persons residing in a living arrangement other than that specified in paragraph (2) above, the basic and shelter standards shall be computed as follows: the standards set forth shall be used to determine the basic and shelter standards for the number of persons in the household, except that the household size shall be budgeted at four persons when there are four or more persons in the household. This figure divided by the number of persons in the household, not to exceed four persons, times the number of persons in the assistance plan equals the basic and shelter standards. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, T-84-8, April 1, 1983; amended May 1, 1983; amended, T-84-9, May 1, 1983; amended May 1, 1984; amended, T-86-19, July 1, 1985; amended May 1, 1986; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

(continued)

30-4-106. General rules for consideration of resources, including real property, personal property, and income. (a) Ownership for assistance purposes shall be determined by legal title. In the absence of a legal title, ownership shall be determined by possession.

(b) Resources, to be real, shall be of a nature that the value can be defined and measured. Value of resources shall be established by the objective measurements set forth in paragraphs (1) and (2) below.

(1) Real property. The value of real property shall be initially determined by the latest uniform statewide appraisal value of the property which shall be adjusted to reflect current market value. If the property has not been appraised or if the market value as determined above is not satisfactory to the applicant or recipient or the agency, an estimate or appraisal of its value shall be obtained from a disinterested real estate broker. The cost of obtaining an estimate or appraisal shall be borne by the agency.

(2) Personal property. The market value of personal property shall be initially determined by a reputable trade publication. If a publication is not available, or if there is a difference of opinion regarding the value of the property between the applicant or recipient and the agency, an estimate from a reputable dealer shall be used. The cost of obtaining an estimate or appraisal shall be borne by the agency.

(c) Resources shall be considered available both when actually available and when the applicant or recipient has the legal ability to make them available. A resource shall be considered unavailable when there is a legal impediment that precludes the disposal of the resource. The applicant or recipient shall pursue reasonable steps to overcome the legal impediment unless it is determined that the cost of pursuing legal action would be more than the applicant or recipient would gain or the likelihood of succeeding in the legal action would be unfavorable to the applicant or recipient.

(d) The resource value of property shall be that of the applicant's or recipient's equity in the property. Unless otherwise established, the proportionate share of jointly-owned real property and the full value of jointly-owned personal property shall be considered a variable to the applicant or recipient. Resources held jointly with a non-legally responsible person may be excluded from consideration if the applicant or recipient can demonstrate that the applicant or recipient has no ownership interest in the resource, has not contributed to the resource, and that any access to the resource by the applicant or recipient is limited to acting as an agent for the other person.

(e) Nonexempt resources of all persons in the assistance plan and the nonexempt resources of persons who have been excluded from the assistance plan pursuant to K.A.R. 30-4-74(b) and 30-4-90(a)(5) shall be considered.

(f) The combined resources of husband and wife, if they are living together, shall be considered in determining eligibility of either or both for assistance, unless otherwise prohibited by law. A husband and wife shall be considered to be living together if they are

regularly residing in the same household. Temporary absences of one of the couple for education or training, working, securing medical treatment, or visiting shall not be considered to interrupt the couple's living together.

(g) The resources of an ineligible parent, the income of a stepparent, or the income of a parent of a minor parent shall be considered in determining the eligibility of a minor child for assistance if the individual and child are living together.

(h) When any individual in the household, other than a stepparent or a parent of a minor parent, who does not have the legal responsibility to support a person in the plan voluntarily and regularly contributes cash to the recipient toward household expenses, including maintenance costs, the amount of the contribution to be counted shall be the net income realized by the household.

(i) Despite subsections (f), (g), and (h) above, the resources of an SSI beneficiary shall not be considered in the determination of eligibility for assistance of any other person, except for burial assistance.

(j) The resources of an alien sponsor shall be considered in determining eligibility for the alien as prescribed by the secretary of health and human services pursuant to 45 CFR 233.51, October 1, 1985 edition, which is adopted by reference. "Sponsor" shall include a public or private agency or organization.

(k) A conversion of real or personal property from one form to another shall not be considered as income to the applicant or recipient except for the proceeds from a contract for the sale of property.

(l) Income shall not be considered both as income and as property in the same month. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-20, Sept. 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-110. Income. (a) Definitions.

(1) "Earned income" means income, in cash or in kind, that is currently earned through the receipt of wages, salary, or profit, from activities the individual engages in as an employer or as an employee with responsibilities that necessitate continuing activity on the individual's part. Earned income shall include the amount of the earned income tax credit (EITC) that is received by an individual.

(2) "Unearned income" means all income not earned.

(3) "Lump sum" means a non-recurring payment.

(b) Any client shall be ineligible when the total income without disregards exceeds 185% of the standards for budgetary requirements for the number of persons in the plan, except for:

(1) Income-producing costs of the self-employed listed in K.A.R. 30-4-111(d);

(2) the disregards for stepparents, the parent of a

minor parent, and an alien parent, as listed in K.A.R. 30-4-111(f);

(3) the income of a child received from a youth program funded by the job training partnership act of 1982, as specified in K.A.R. 30-4-113(l);

(4) the earned income of a child who is a full time student for a period not to exceed six months; and

(5) the first \$50.00 of child support or child support in combination with spousal support received in a month. For purposes of this section, total income shall be regarded as the sum of all earned income, or adjusted gross income of the self-employed, with no exemptions, all nonexempt, unearned income and nonexempt, current support payments received and reported by the child support enforcement office.

(c) Treatment of income.

(1) A prospective (estimated income), retrospective (actual income received), or income average budgetary method shall be used to determine eligibility and the amount of payment for persons with income.

(2) Prospective budgeting shall be used to determine initial eligibility and the amount of payment for the first two consecutive months. The estimate shall reflect the income received and the income expected to be received in each calendar month. Prospective budgeting shall also be used until the time retrospective or income average budgeting is instituted and to determine ongoing eligibility beginning with the third consecutive month.

(3) For eligible persons, as determined by prospective budgeting methods, retrospective budgeting shall be used to determine the amount of payment and ongoing eligibility beginning with the third consecutive month. Retrospective budgeting utilizes actual income received in a second prior month, reported in the first prior month, to determine eligibility and the amount of assistance for the payment month. Income shall be of a continuous nature to be considered in determining the amount of payment and eligibility for the first and second retrospective month. When income is received on a twice a month or monthly basis, the income shall be viewed as being received by the client on the day that the payment is ordinarily scheduled.

(4) When there is prospective eligibility and there is no budgetary deficit resulting from retrospective budgeting, payment shall be suspended. If there is eligibility for the month following the month of suspension, retrospective budgeting shall be reinstated.

(5) When there is prospective ineligibility and the agency has reason to believe that the period of ineligibility will be only for one month, assistance shall continue using retrospective budgeting.

(6) When assistance is reinstated for the month following termination or suspension, retrospective budgeting shall be reinstated.

(7) Intermittent income or income from self employment shall be considered and averaged. Intermittent income shall be divided by the proper number of months to establish the monthly amount. For self-employed persons with monthly income, the income average shall be based on at least two representative months' income.

(8) Lump sum income shall be counted as income in the month received or in the month in which it is expected to be received. When the lump sum payment added to all other applicable income received, or expected to be received, results in no budgetary deficit, a period of ineligibility shall be calculated by the following method: the total of the lump sum payment and all other income received, or expected to be received, in that month divided by the budgetary requirement for the number of persons in the assistance plan and any person whose income is being considered shall equal the whole number of ineligible months. Any remaining amount shall be considered in the first month following the period of ineligibility. The period of ineligibility shall be recalculated with respect to the remaining months of the established period of ineligibility if the applicant or recipient incurs, becomes responsible for, and pays allowable medical expenses which, if subtracted from the lump sum payment, would result in a shorter period of ineligibility. If a period of ineligibility is established in a federally-funded program, it shall also result in ineligibility for a state-funded program. A period of ineligibility established for a state-funded program shall not result in ineligibility for a federally-funded program. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-111. Applicable income. (a) Applicable income shall be the amount of earned and unearned income to be subtracted from the budgetary requirements in determining the budgetary deficit.

(b) Applicable earned income for persons included in the assistance plan shall equal: gross earned income or the adjusted gross earned income from self-employment, less the following items:

(1) Seventy-five dollars for each employed person; and

(2) reasonable and not excessive expenses for child care or expenses for the care of an incapacitated person. The amount of dependent care to be deducted shall not exceed \$160.00 per person for full time employment or \$110.00 for part time employment. The dependent shall be included in the assistance plan before the deduction is allowed.

(c) Gross earned income or the adjusted gross income from self-employment shall not be reduced when the recipient:

(1) has failed to file the monthly status report form without good cause;

(2) has terminated employment or has reduced earnings without good cause within a period of not less than 30 days preceding the payment month; or

(3) has refused without good cause to accept a bona fide offer of employment within the 30-day period preceding the payment month.

(continued)

(d) For self-employed persons, adjusted gross earned income equals gross earned income less cost of the production of the income. Income-producing costs include only those expenses directly related to the actual production of income. The following guidelines shall be used by the agency in calculating the cost of the production of the income:

(1) The intent of the public assistance program shall not be to pay debts, set up an individual in business, subsidize a nonprofit activity, nor treat income on the basis of IRS policies;

(2) if losses are suffered from self-employment, the losses shall not be deducted from other income nor may a net loss of a business be considered as an income-producing cost;

(3) if a business is being conducted from a non-home location, business space and utilities shall be considered as income-producing costs;

(4) if a business is being conducted from a person's own home, shelter and utility costs shall not be considered as income-producing costs unless they are clearly distinguishable from the home operation;

(5) if payments increase the equity in equipment, vehicles, or other property, the payments shall not be considered as an income-producing cost;

(6) if equipment, vehicles, or other property is being purchased on an installment plan, the actual interest paid may be considered as an income-producing cost;

(7) depreciation on equipment, vehicles, or other property shall not be considered as an income-producing cost;

(8) insurance payments on equipment, vehicles, or other property shall be allowed if the payments are directly related to the business;

(9) inventories and supplies that are reasonable and required for the business shall be considered as income-producing costs; and

(10) wages and other mandated costs related to wages paid by the applicant or recipient shall be considered as income-producing costs.

(e) In ADC, ADC-FC, APW beginning with the sixth month of pregnancy provided there is apparent ADC eligibility in the month in which the child is expected to be born, GA-FC and for children receiving GA, the applicable earned income shall be further reduced by the ADC earned income disregards by subtracting \$30.00 and $\frac{1}{3}$ of the remainder, for:

(1) Applicants who had received assistance in one of the four preceding months and who had not had the disregards applied to their income for the periods of time specified in paragraph (2) of this subsection; and

(2) recipients. The disregards shall continue for a period of time not to exceed four consecutive months for the $\frac{1}{3}$ disregard and 12 consecutive months for the \$30.00 disregard. The earned income disregard shall not be reinstated for a recipient until the expiration of 12 consecutive months during which the individual did not receive cash assistance. If the client would have been eligible to receive the earned income disregard in any month, but did not receive it due to the client's failure to comply with an eligibility or procedural requirement, the month shall be counted in

determining the four and 12 consecutive month periods.

(f) Applicable earned and unearned income of a stepparent or the parent of a minor parent not included in the assistance plan or of an alien who is a parent of an ADC child and who is excluded from the assistance plan due to the provisions of P.L. 99-603, the Immigration Reform and Control Act of 1986. In determining eligibility and the amount of payment, the applicable income to be counted shall equal: gross income or the adjusted gross income of the self-employed less the following items:

(1) Seventy-five dollars of earned income;

(2) the standards for budgetary requirements of the above referenced persons and dependents in the same household who are claimed by those persons for internal revenue service purposes and who are not in the assistance plan;

(3) amounts paid by those persons not living in the same household and claimed as dependents for internal revenue service purposes; and

(4) alimony or child support payments to individuals not living in the household which are made by those persons.

(g) For a person in the home whose income must be considered and who is not included in the assistance plan, all nonexempt, unearned income and gross earnings, or adjusted gross earnings of the self-employed, shall be considered without the application of any income disregards, unless otherwise prohibited by law.

(h) Attribution of a sponsor's income to the alien. The income of an alien's sponsor shall be considered in determining eligibility and the amount of payment for the alien as prescribed by the secretary of health and human services and as approved by the secretary of social and rehabilitation services.

(i) Applicable, unearned income of persons included in the assistance plan. All net, unearned income shall be applicable unless exempted. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended, T-88-10, May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-4-113. Income exempt as applicable income.

The following income shall be exempt as applicable income in the determination of the budgetary deficit:

(a) Earned income of a recipient child if the child is under the age of 18 years and a full-time student or if the child is a part-time student and is not a full-time employee;

(b) earned income of a recipient child who is 18 years of age and a full-time student;

(c) irregular, occasional or unpredictable monetary gifts not to exceed \$30.00 per person in any calendar quarter;

(d) work incentive payments in WIN;

(e) unearned income-in-kind;
 (f) foster care standard payments;
 (g) shelter cost participation payments. In shared living arrangements in which two families contribute toward the shelter obligations, any cash paid toward the shared shelter obligation by one family to the second family in the shared arrangement shall not be considered as income to the second family. This exemption shall not be applicable in a bona fide, commercial landlord-tenant arrangement;
 (h) tax refunds and rebates other than the earned income tax credit;
 (i) interest credited to a checking or savings account;
 (j) incentive payments received by renal dialysis patients;
 (k) home energy assistance furnished by a federal or state regulated entity whose revenues are primarily derived on a rate-of-return basis, by a private, non-profit organization, by a supplier of home heating oil or gas, or by a municipal utility company which provides home energy, if the assistance provided is based on need;
 (l) income of a child received from a youth program funded by the job training partnership act of 1982, except that earned income received under the program shall only be exempt for a period of six months;
 (m) housing assistance from federal housing programs;
 (n) assistance payments in the month received;
 (o) the first \$50.00 of child support or child support in combination with spousal support received in a month; and
 (p) support payments received and forwarded to the agency following the effective date of the assignment of support rights to the agency. However, reported current support which is in excess of the amount exempted in subsection (o) of this section and which, if treated as nonexempt income, would result in ineligibility, or a support refund disbursed by the agency to the recipient, shall not be exempt income. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended, T-84-11, July 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended, T-87-15, July 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

**Article 5.—PROVIDER PARTICIPATION,
 SCOPE OF SERVICES, AND REIMBURSEMENTS
 FOR THE MEDICAID (MEDICAL
 ASSISTANCE) PROGRAM**

30-5-71. Co-pay requirements. (a) Except as set forth in paragraph (b), program recipients shall be obligated to the provider for the indicated amount of reimbursement that would otherwise be due from the agency for the following services:

(1) Psychologist services—\$1.00 per visit;

(2) chiropractic services—\$1.00 per visit;
 (3) dental services—\$1.00 per visit;
 (4) non-emergency ambulance services—\$1.00 per trip;
 (5) optometric services—\$1.00 per visit;
 (6) pharmacy services—\$1.00 per prescription, new and refill;
 (7) physician office visits—\$1.00 per visit;
 (8) outpatient general hospital surgery—\$3.00 per surgery;
 (9) ambulatory surgery center services—\$3.00 per visit;
 (10) inpatient general hospital services—\$25.00 per admission; and
 (11) inpatient free-standing psychiatric facility services provided by a non-state facility—\$25.00 per admission.

(b) The provisions of subsection (a) shall not apply to services provided:

(1) To residents in intermediate care facilities, intermediate care facilities for the mentally retarded, intermediate care facilities for mental health, skilled nursing facilities, and to recipients participating in the home and community-based services program;
 (2) to recipients under 18;
 (3) to recipients enrolled in a health maintenance organization;
 (4) for family planning purposes; and
 (5) that are related to pregnancy. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended May 1, 1982; amended, T-83-38, Nov. 23, 1982; amended May 1, 1983; amended, T-84-36, Jan. 1, 1984; amended May 1, 1984; amended May 1, 1986; amended, T-87-20, Sept. 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

**Article 6.—MEDICAL ASSISTANCE
 PROGRAM—CLIENTS' ELIGIBILITY
 FOR PARTICIPATION**

30-6-41. Assistance planning. (a) Definitions.

(1) "Family group" means the applicant or recipient and all individuals living together in which there is a relationship of legal responsibility or a caretaker relative relationship.

(2) "Mandatory filing unit" means all persons in the family group whose needs or resources are required to be considered in determining eligibility and amount of benefits as outlined in K.A.R. 30-6-74 for ADC purposes and K.A.R. 30-6-79 for non-ADC purposes. If the agency is unable to determine who is required to be a member of the mandatory filing unit as a result of an applicant's or recipient's failure to cooperate in providing necessary information or in complying with an eligibility requirement that is within the applicant's or recipient's control, those persons who would otherwise be required to be in the mandatory filing unit had the applicant or recipient cooperated shall be ineligible for assistance.

(3) "Caretaker relative" means the relative who is assigned the primary responsibility for the care and

(continued)

control of the child, either singly, or as in the case of two parents, jointly.

(4) "Eligible relative" means a caretaker relative who is considered in the plan with the child. A stepparent shall not be considered as an eligible relative unless the stepparent is the only caretaker relative in the home and is financially eligible.

(5) "Legally responsible relative" means the person who has the legal responsibility to provide support for the person in the plan.

(b) In independent living arrangements, persons in the family group shall be included or excluded from the assistance plan at the applicant's or recipient's request, except for persons in the mandatory filing unit as defined in paragraph (2) of subsection (a). For non-SSI, the assistance plan shall consist of those members of the mandatory filing unit and any other persons in the family group for whom assistance is requested and eligibility is determined. For SSI, the assistance plan shall consist of those members of the family group for whom assistance is requested and eligibility is determined. Eligibility for medical assistance shall not be denied for the reason that an application for medical assistance is made on behalf of a deceased person. Any individual excluded from the medical assistance plan shall not be eligible in a separate medical assistance plan, except that SSI recipients shall have a separate medical assistance plan.

(c) In institutional living arrangements, each person shall have a separate assistance plan with the following exceptions:

(1) When the person's protected income level is being computed as if the person were maintaining independent living arrangements;

(2) when the person's income and resources are considered available to both members of a couple as set forth in K.A.R. 30-6-106(f); or

(3) when a couple is residing in the same long term care home and only one spouse has income.

(d) Any person who is ineligible for medical assistance because of a penalty provision shall be excluded from that person's family group medical assistance plan. The effective date of this regulation shall be January 1, 1988. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended, T-87-15, July 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-57. Job search requirements. (a) Each assigned recipient, unless exempted, shall be required to participate in an agency-approved job club or related activity and agree to seek and accept available employment. Any recipient may volunteer to participate in an agency-approved job club or related activity. A person shall not be required to spend more than 320 hours per year in job search activities.

(b) Exemptions. The persons listed below shall be exempt from the job search requirements:

(1) Any child who is under age 16 or attending school full-time. The definition of full-time is the same as for ADC eligibility;

(2) any person who is ill or injured. The illness or injury shall temporarily prevent entry into employment as established by medical information from an official source;

(3) any person who is incapacitated. An incapacitated individual is any individual who has a medically determined physical or mental impairment which, by itself or in conjunction with age, prevents employment, and is expected to continue at least 30 days. A person shall meet one of the following criteria to establish a physical or mental incapacity as provided by subsection (b)(3) of K.A.R. 30-6-57:

(A) Eligibility for OASDI or SSI benefits based on disability;

(B) A written or oral statement by a psychologist, optometrist or an individual licensed by the board of healing arts, within the scope of that person's professional competence;

(C) a written diagnostic team evaluation from an agency, including the veteran's administration, vocational rehabilitation, or a mental health clinic shall establish an incapacity. When an individual claims exempt status due to incapacity, but medical verification is needed to establish the incapacity that individual shall be regarded as temporarily exempt for a period not to exceed 30 days while the person's status is being verified. If verification is not provided because of a legitimate delay in obtaining an examination by or a consultation with a medical practitioner, the temporary exemption period shall be extended for a period not to exceed 15 days;

(4) any person who is age 65 or over;

(5) any person who is too remote from potential employers. The criteria of remoteness shall be met when potential employers are located two miles or more from the person's home and when transportation is not available. If the person has transportation available, round trip travel time of more than two hours, exclusive of time required to transport a child to and from a child care facility, shall be defined as being too remote;

(6) any person whose presence is required at home because of a verified, medically determined condition of another member of the home whose condition does not permit self-care, and when the care is not available from another person in the home;

(7) any woman who is at least six months pregnant;

(8) any parent or other relative personally providing care for a child under six years of age with only brief and infrequent absences from the child, except when the absence is for the purpose of employment or an agency-approved, work-related activity;

(9) any parent or other caretaker of a child who is deprived for a reason other than the unemployment of a parent when another adult relative in the plan is actively seeking employment;

(10) for ADC-UP, any parent if the other parent is the principal wage earner and is actively seeking employment;

(11) any person who is employed full-time or any

person who has a physical or mental impairment and who is working to that person's capacity. Full-time is determined as at least 30 hours per week, with gross earnings, or adjusted gross earnings for the self-employed, that are equal to or in excess of \$100.00 per week;

(12) any person who is attending high school full-time;

(13) any person who is participating in vocational rehabilitation program training;

(14) any person for whom searching for employment conflicts with the responsibility for care and supervision of children at home. The agency shall consider the effect of searching for employment on necessary care and supervision of the children unless it is established that adequate and satisfactory plans can be developed to provide care and supervision of the children during absence from the home; and

(15) any person who is residing in a licensed or certified alcohol and drug abuse facility.

(c) Penalty. A first-time failure of a nonexempt ADC person to meet the job search requirement, without good cause, shall render the individual ineligible for assistance for three months and a subsequent failure shall result in ineligibility for six months. Failure of the principal wage earner in ADC-UP to meet the job search requirement without good cause shall render the individual, and all persons in the mandatory filing unit, ineligible for three months and a subsequent failure shall result in ineligibility for six months. If the person becomes exempt during the penalty period, the penalty shall not be delayed or waived. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended, E-82-19, Oct. 29, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-74. Persons whose needs are to be considered with the needs of the ADC child. (a) The needs of the parents and all blood-related and adoptive siblings who meet the criteria contained in K.A.R. 30-6-72 and 30-6-73, excluding those persons set forth below, shall be included in determining the needs of the ADC child if the parents or siblings are living with the ADC child. If appropriate, the needs of a caretaker relative other than a parent shall be considered with the needs of the ADC child. An otherwise eligible caretaker relative shall not be excluded from the assistance plan if the eligible caretaker relative is temporarily absent from the home due to employment, illness or incapacity, provided the individual continues to maintain care and control of the child.

(b) The needs of certain parents and siblings who are not otherwise eligible for ADC shall be excluded in determining eligibility of the ADC child. However, the resources of certain parents and siblings shall, unless the resources are specifically exempt, be in-

cluded in determining eligibility of the ADC child. Such parents and siblings include:

- (1) SSI recipients;
- (2) persons who are ineligible due to the receipt of lump sum income;
- (3) persons who are ineligible due to a sanction;
- (4) minor parents whose needs are met through foster care payments; and
- (5) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-5, May 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-79. Non-ADC child determined eligibles. Each applicant or recipient shall meet the general eligibility requirements of K.A.R. 30-6-50 and the specific eligibility requirements set forth below to be eligible for medical assistance related to a non-ADC child. (a) Each child shall be under 18 years of age.

(b) Each child shall not be eligible for any other medical assistance program with federal financial participation (FFP).

(c) The needs of all non-ADC siblings shall be included in determining the needs of the non-ADC child if living together. The needs of certain non-ADC siblings who are not otherwise eligible shall be excluded in determining the eligibility of the non-ADC child. However, the resources of certain non-ADC siblings shall, unless the resources are specifically exempt, be included in determining eligibility of the non-ADC child. Such siblings include:

- (1) SSI recipients;
- (2) siblings who are ineligible due to the receipt of lump sum income;
- (3) siblings who are ineligible due to a sanction;
- (4) minor parents whose needs are met through foster care payments; and
- (5) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective, T-85-26, Oct. 15, 1984; effective May 1, 1985; amended, T-87-15, July 1, 1986; amended May 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-103. Determined eligibles; protected income levels. (a) Independent living.

(1) The protected income level for persons in independent living arrangements shall be based on the total number of persons in the assistance plan and any other persons in the family group whose income is being considered.

(2) The protected income levels for independent living shall also be used when an applicant or recipient:

- (A) Enters a medicaid-approved facility;
- (B) is absent from the home for medical care for a

(continued)

period not to exceed three months to allow for maintaining their independent living arrangements; or

(C) is in the home- and community- based services program.

(3) The following table shall be used to determine the protected income level for persons in independent living.

PERSONS IN INDEPENDENT LIVING
(Per Month)

1	2	3	4
\$354.00	\$460.00	\$465.00	\$470.00

The protected income level for additional persons shall be the sum of the basic standard for a like public assistance family plus the maximum state shelter standard.

(b) Institutional living arrangements. For persons residing in institutional settings, the protected income level shall be \$25.00 except as noted in paragraph (2) of subsection (a).

(c) Specialized living arrangements. The protected income level for persons residing in approved, specialized living arrangements, including adult family homes, home- and community-based congregate care facilities, and child care facilities, shall be as established by the secretary. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended May 1, 1983; amended, T-84-11, July 1, 1983; amended, T-84-36, Dec. 21, 1983; amended May 1, 1984; amended, T-85-34, Dec. 19, 1984; amended May 1, 1985; amended, T-86-19, July 1, 1985; amended, T-86-42, Jan. 1, 1986; amended May 1, 1986; amended, T-87-15, July 1, 1986; amended, T-88-2, Feb. 1, 1987; amended May 1, 1987; amended, T-88-10, May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-106. General rules for consideration of resources, including real property, personal property, and income. (a) Ownership for assistance purposes shall be determined by legal title. In the absence of legal title, ownership shall be determined by possession.

(b) Resources, to be real, shall be of a nature that the value can be defined and measured. Value of resources shall be established by the objective measurements set forth in paragraphs (1) and (2) below.

(1) Real property. The value of real property shall be initially determined by the latest uniform statewide appraisal value of the property which shall be adjusted to reflect current market value. If the property has not been appraised or if the market value as determined above is not satisfactory to the applicant or recipient or the agency, an estimate or appraisal of its value shall be obtained from a disinterested real estate broker. The cost of obtaining an estimate or appraisal shall be borne by the agency.

(2) Personal property. The market value of personal property shall be initially determined by a reputable trade publication. If a publication is not available, or if

there is a difference of opinion regarding the value of the property between the agency and the individual, an estimate from a reputable dealer shall be used. The cost of obtaining an estimate or appraisal shall be borne by the agency.

(c) (1) Resources shall be considered available both when actually available and when the applicant or recipient has the legal ability to make them available. A resource shall be considered unavailable when there is a legal impediment that precludes the disposal of the resource. The applicant or recipient shall pursue reasonable steps to overcome the legal impediment unless it is determined that the cost of pursuing legal action would be more than the applicant or recipient would gain or the likelihood of succeeding in the legal action would be unfavorable to the applicant or recipient.

(2) For the purpose of this subsection, a revocable or irrevocable trust, established by an applicant or recipient or their spouse, shall be considered available to the applicant or recipient up to the maximum value of the funds which may be made available under the terms of the trust in behalf of the applicant or recipient if:

(A) That applicant or recipient is a beneficiary; and

(B) the trustees are permitted to exercise any discretion with respect to distribution to the applicant or recipient.

(d) The resource value of property shall be that of the applicant's or recipient's equity in the property. Unless otherwise established, the proportionate share of jointly-owned real property and the full value of jointly-owned personal property shall be considered available to the applicant or recipient. Resources held jointly with a non-legally responsible person may be excluded from consideration if the applicant or recipient can demonstrate that the applicant or recipient has no ownership interest in the resource, has not contributed to the resource, and that any access to the resource by the applicant or recipient is limited to acting as an agent for the other person.

(e) Nonexempt resources of all persons in the assistance plan and the nonexempt resources of persons who have been excluded from the assistance plan pursuant to K.A.R. 30-6-74(b) and 30-6-79(c) shall be considered.

(f) (1) The combined resources of husband and wife, if they are living together, shall be considered in determining eligibility of either or both for the medical assistance program, unless otherwise prohibited by law.

(2) A husband and wife shall be considered to be living together if they are regularly residing in the same household. Temporary absences of either the husband or the wife for education or training, working, securing medical treatment or visiting shall not be considered to interrupt the couple's living together.

(3) A husband and wife shall not be considered as living together when they are physically separated and not maintaining a common life, or when one or both enter into a care situation, including either a medicaid-approved or non-approved care facility or a

home- and community-based services care arrangement. If only one spouse is an applicant for or recipient of SSI and one or both enter a care situation, their resources shall be considered available to each other in the month in which the care arrangement begins. Thereafter, only the resources that are actually made available to the applicant or recipient shall be considered. If both spouses are applicants for or recipients of SSI and one or both enter a care situation, the following provisions apply:

(A) Income shall be considered available to each other for the month in which the care situation begins. Their income shall continue to be considered available to each other for the following six months if they share the same room in a care situation; and

(B) real and personal property shall be considered available to each other for the month in which the care situation begins and the six following months.

(g) The resources of an ineligible parent, the income of a stepparent, or the income of a parent of a minor parent shall be considered in determining the eligibility of a minor child for the medical assistance program if the individual and child are living together.

(h) When any individual in the household, other than a stepparent or a parent of a minor parent, who does not have the responsibility to support a person in the plan voluntarily and regularly contributes cash to the recipient toward household expenses, including maintenance costs, the amount of the contribution to be counted shall be the net income realized by the household.

(i) Despite subsections (f), (g), and (h) above, the resources of an SSI beneficiary shall not be considered in the determination of eligibility for medical assistance of any other person.

(j) The resources of an alien sponsor shall be considered in determining eligibility for the alien as prescribed by the secretary of health and human services and as approved by the secretary of social and rehabilitation services. "Sponsor" shall include a public or private agency or organization.

(k) The conversion of real and personal property from one form to another shall not be considered as income to the applicant or recipient except for the proceeds from a contract for the sale of property.

(l) Income shall not be considered both as income and as property in the same month. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-15, July 1, 1986; amended, T-87-20, Sept. 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-107. Property exemption. Ownership of otherwise nonexempt real or personal property shall not affect eligibility if the aggregate resource value is not in excess of \$1,900.00 for one person or \$2,850.00 for two or more persons whose nonexempt resources are being considered for a person in the assistance plan.

(a) For non-SSI, ownership of property with a resource value in excess of the amounts above shall render the assistance family group ineligible for medical assistance. However, if there is ineligibility due to excess real property, assistance shall be provided for a period of up to nine months if the applicant or recipient is making a bona fide and documented effort to dispose of the property.

(b) For SSI, ownership of property with a resource value in excess of the amounts above shall render the assistance family group ineligible for medical assistance unless the applicant or recipient is making a bona fide and documented effort to dispose of the excess property at a reasonable market value. Assistance under this provision shall not exceed nine months. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended May 1, 1982; amended May 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended, T-85-33, Dec. 19, 1984; amended, T-85-34, Dec. 19, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-43, Jan. 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-110. Income. (a) Definitions.

(1) "Earned income" means income, in cash or in kind, that is currently earned by any applicant or recipient, through the receipt of wages, salary, or profit, from activities the individual engages in as an employer or as an employee with responsibilities that necessitates continuing activity on the individual's part. Earned income shall include the amount of the earned income tax credit (EITC) that is received by an individual under section 3507(a) of the internal revenue code of 1954.

(2) "Unearned income" means all income not earned.

(b) Treatment of income. Income, except as specified below, shall be classified as income in the eligibility base period in which it is received; thereafter, it shall be classified as a cash asset.

(1) Prior eligibility. Income received in the three prior months shall be considered in the determination of prior eligibility except that self-employment income shall be averaged.

(2) Current eligibility. Income shall be considered prospectively to determine eligibility beginning with the month of application. All income received or reasonably expected to be received shall be considered in determining the countable income for the eligibility base period. Income from self-employment and intermittent income shall be considered and averaged. Intermittent income shall be divided by the proper number of months to establish the monthly amount. Intermittent income shall be considered as income beginning with the eligibility base period in which it is received. Lump sum payments shall be considered as income in the eligibility base period in which it is received or in the following base period when timely notice requirements necessitate such a delay. The effective date of this regulation shall be January 1,

(continued)

1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-88-59, Jan. 1, 1988.)

30-6-111. Applicable income. Applicable income means the amount of earned and unearned income which is compared with the appropriate protected income level to establish financial eligibility. (a) Non-SSI. Applicable earned income shall be determined as follows:

(1) Applicable earned income for persons included in the assistance plan and, except as noted in subparagraph (a)(4) of this section, for all persons in the home whose earned income must be considered and who are excluded from the assistance plan shall equal gross earned income, or the adjusted gross earned income from self-employment, less the following items:

(A) Seventy-five dollars for each employed person; and

(B) reasonable and not excessive expenses for child care or expenses for the care of an incapacitated person. The amount of dependent care to be deducted shall not exceed \$160.00 per person for full time employment or \$110.00 for part time employment. The dependent shall be included in the assistance plan before the deduction is allowed.

(2) Gross earned income, or the adjusted gross income from self-employment, shall not be reduced when the recipient:

(A) Has terminated employment or reduced earnings without good cause within 30 days preceding the month of eligibility; or

(B) has refused without good cause to accept a bona fide offer of employment within the 30-day period preceding the month of eligibility.

(3) For self-employed persons, adjusted gross earned income shall equal gross earned income less cost of the production of the income. Income-producing costs shall include only those expenses directly related to the actual production of income. These costs shall be verified. The following guidelines shall be used by the agency in calculating the cost of the production of the income:

(A) The intent of the medical assistance program shall not be to subsidize the payment of debts, set up an individual in business or a nonprofit activity, nor treat income on the basis of IRS policies;

(B) if losses are suffered from self-employment, the losses shall not be deducted from other income nor shall the net loss of a business be considered as an income-producing cost;

(C) if a business is being conducted from a non-home location, business space and utilities may be considered as income-producing costs;

(D) if a business is being conducted from a person's own home, shelter and utility costs shall not be considered as income-producing costs unless it is verified that they are clearly distinguishable from the home operation;

(E) if payments increase the equity in equipment, vehicles, or other property, the payments shall not be considered as an income-producing cost;

(F) if equipment, vehicles, or other property is being purchased on an installment plan, the actual interest paid may be considered as an income-producing cost;

(G) depreciation on equipment, vehicles, or other property shall not be considered as an income-producing cost;

(H) insurance payments on equipment, vehicles, or other property shall be allowed if the payments are directly related to the business;

(I) inventories and supplies that are reasonable and required for the business may be considered as income-producing costs; and

(J) wages and other mandated costs related to wages paid by the applicant or recipient may be considered as income-producing costs.

(4) In determining eligibility and the amount of payment, the applicable earned and unearned income of a stepparent or the parent of a minor parent not included in the assistance plan or of an alien who is a parent of an ADC child and who is excluded from the assistance plan due to the provisions of P.L. 99-603, the Immigration Reform and Control Act of 1986, shall equal gross income less the following items:

(A) Seventy-five dollars of earned income;

(B) the protected income level for the above-referenced persons and dependents in the same household who are claimed by those persons for internal revenue service purposes and who are not in the assistance plan;

(C) amounts paid by those persons to persons not living in the same household who are claimed as dependents for internal revenue service purposes; and

(D) alimony or child support payments to individuals not living in the household which are made by those persons.

(5) Attribution of a sponsor's income to the alien. The income of an alien's sponsor shall be considered in determining eligibility and the amount of payment for the alien as prescribed by the secretary of health and human services.

(b) SSI. Applicable earned income shall be determined as follows:

(1) Wages. The applicable earned income shall be gross income less income disregards, if applicable.

(2) Self-employment. The applicable earned income shall be the adjusted gross income less income disregards, if applicable. The principles set forth in paragraph (a)(2) of this regulation in regard to adjusted gross income shall be applicable to calculations made pursuant to this paragraph.

(c) SSI income disregards.

(1) The following disregards shall apply to persons in independent living or in the home- and community-based service program:

(A) The first \$20.00 of any nonexempt, unearned income; and

(B) an applicable earned income disregard calculated as follows: gross earned income minus any por-

tion of the unearned income disregard that exceeds monthly earned income plus \$65.00 of monthly earned income plus ½ times the remainder of the monthly earned income equals applicable earned income disregard.

(2) The following disregards shall apply to persons in long term care who are employed:

- (A) Seventy-five dollars, if employed full time; and
- (B) fifty dollars, if employed part time.

(d) Applicable unearned income. All net, unearned income, except as noted in paragraph (a)(4) of this section, shall be applicable unless exempted in accordance with K.A.R. 30-6-112 and 30-6-113. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended, T-86-9, May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended, T-88-10, May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-112. Income exempt from consideration as income and as a cash asset. Exempted income shall be: (a) Grants or loans to any undergraduate student for educational purposes that are made or insured under any programs administered by the commissioner of education;

(b) loans and grants obtained and used for purposes of meeting needs not related to current living costs;

(c) the value of the coupon allotment under the food stamp program;

(d) the value of the U.S. department of agriculture-donated foods;

(e) the value of supplemental food assistance received under the child nutrition act of 1966, as amended, and the special food service program for children under the national school lunch act, as amended;

(f) benefits received under title VII, nutrition program for the elderly, of the older Americans act of 1965, as amended;

(g) Indian judgment funds distributed or held in trust, including interest and investment income accrued on such funds while held in trust and purchases made with such funds;

(h) payments to natives under the Alaska native claims settlement act, to the extent the payments are exempt from taxation under section 21(a) of that act;

(i) payments provided to individual volunteers serving as foster grandparents, senior health aides and senior companions, and to persons serving in the service corps of retired executives and active corps of executives under titles II and III of domestic service act of 1973;

(j) payments to individual volunteers under title I, sec. 404(g) of Public Law 93-113 when the director of ACTION determines that the value of such payments, adjusted to reflect the number of hours such volunteers are serving, is less than the federal minimum wage;

(k) payments received under the uniform relocation

assistance and real property acquisition policies act of 1970;

(l) death benefits from SSA, VA, railroad retirement, or other burial insurance policy when the benefit is used toward the cost of burial;

(m) money held in trust by VA for a child which VA determines may not be used for subsistence needs;

(n) retroactive corrective assistance payments in the month received or in the following month;

(o) income directly provided by vocational rehabilitation;

(p) benefits from special government programs at the discretion of the secretary, including energy assistance programs and VA aid and attendance and housebound allowances;

(q) reimbursements for out-of-pocket expenses in the month received and the following month;

(r) for non-SSI, a one-time payment or a portion of a one-time payment from a cash settlement for the repair or replacement of property or for legal services, medical costs or other required obligations to a third party, if the payment is expended or committed to be expended for the intended purpose within six months of its receipt;

(s) for non-SSI, assistance provided by another agency or organization that complements but does not duplicate assistance provided by the agency;

(t) for SSI, a one-time payment or a portion of a one-time payment from a cash settlement for the repair or replacement of property or for legal services, medical costs or other required obligations to a third party, if the payment is expended or committed to be expended for the intended purpose within nine months of its receipt. This time period may be extended for good cause;

(u) for SSI, in kind support, vouchers, or cash assistance for food, clothing, or shelter provided by public or private organizations or agencies, if the assistance is based on need;

(v) for SSI, income necessary for fulfillment of an approved plan to achieve self-support established for a blind or disabled person;

(w) for SSI, assistance furnished in connection with a presidentially declared disaster and any interest earned on the assistance for the first nine months;

(x) for SSI, interest which is paid on excluded burial funds and left to accumulate;

(y) for SSI, proceeds from any bona fide and legal loan requiring repayment;

(z) for SSI, housing assistance from federal housing programs operated by state and local subdivisions; and

(aa) for SSI, any portion of any financial assistance funded under Title IV of the Higher Education Act of 1965, as amended, or under Bureau of Indian Affairs Student Assistance Programs which is made available for tuition, fees, books, supplies, transportation and miscellaneous personal supplies. The effective date of this regulation shall be January 1, 1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983;

(continued)

amended May 1, 1984; amended May 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

30-6-113. Income exempt as applicable income.

The following income shall be exempt as applicable income in the determination of eligibility: (a) Unearned income in kind;

(b) foster care standard payments;

(c) shelter cost participation payments. In shared living arrangements in which two families contribute toward the shelter obligations, any cash paid toward the shared shelter obligation by one family to the second family in the shared arrangement shall not be considered as income to the second family. This exemption shall not be applicable in a bona fide, commercial landlord-tenant arrangement;

(d) assistance payments in the month received;

(e) home energy assistance furnished by a federal or state regulated entity whose revenues are primarily derived on a rate-of-return basis, by a private, non-profit organization, by a supplier of home heating oil or gas, or by a municipal utility company which provides home energy, if the assistance provided is based on need;

(f) income of a child received from a youth program funded by the job training partnership act of 1982, except that earned income received under the program shall only be exempt for a period of six months;

(g) incentive payments received by renal dialysis patients;

(h) interest credited to a checking or saving account;

(i) irregular, occasional, or unpredictable monetary gifts not to exceed \$30.00 per person in any calendar quarter;

(j) tax refunds and rebates other than earned income tax credits;

(k) for non-SSI, earned income of a recipient child if the child is under the age of 18 years and a full-time student or if the child is a part-time student and is not a full-time employee;

(l) for non-SSI, earned income of a recipient child who is 18 years of age and a full-time student;

(m) for non-SSI, work incentive payments in WIN;

(n) for non-SSI, support payments covered by an assignment of support rights related to ADC and ADC-FC and forwarded to the agency. However, a support refund, disbursed by the agency to the client, shall not be exempt;

(o) for non-SSI, housing assistance from federal housing programs;

(p) for non-SSI, the first \$50.00 of child support or child support in combination with spousal support received in a month;

(q) for SSI, refund of taxes paid on real property or on food purchases;

(r) for SSI, 1/3 of child support payments received by an eligible child from an absent parent;

(s) for SSI, earnings of an unmarried child who is a student under 22 years of age up to \$400.00 a month. This exemption shall not exceed \$1,620.00 a year;

(t) for SSI, work expenses of a blind recipient;

(u) for SSI, impairment-related work expenses of a disabled recipient;

(v) for SSI, incentive allowances and reimbursements for individuals in training to provide support services under the jobs training partnership act (JTPA) program administered by state and local subdivisions;

(w) for SSI, the difference between the social security benefit entitlement in August, 1972, and the entitlement in September, 1972, for persons who were receiving cash assistance through the programs of AABD or ADC in September, 1972 and who were entitled to a social security benefit in September, 1972. This exemption shall apply only if the exemption establishes eligibility without a spenddown;

(x) for SSI, the amount of all social security cost of living adjustments for a person who was concurrently receiving SSI and social security after April, 1977 and who would be eligible for SSI if the cost of living adjustments received since that person was last eligible for SSI were not considered as income;

(y) for SSI, income allocated and expended by an adult in an institutional living arrangement for the support of the adult's spouse or minor children. The income allocation shall not exceed the amount necessary to bring their income up to the protected income level appropriate to their living arrangement;

(z) for SSI, SSI payments to which the person is not legally entitled that are subject to SSI recovery;

(aa) for SSI, child support collected by the agency and paid as a \$50.00 or less pass-through of child support;

(bb) for SSI, the amount of the December, 1983 increase in social security disabled widow or widower benefits resulting from the changes in the actuarial reduction formula and all subsequent cost of living adjustments for a person who was concurrently receiving SSI and social security disabled widow and widower benefits under section 202(e) or 202(f) of the social security act provided that:

(1) The person became ineligible for SSI due solely to the 1983 actuarial increase;

(2) the person has continuously received social security disabled widow or widower benefits since the 1983 actuarial increase was first received;

(3) the person would be currently eligible for SSI if it were not for the 1983 actuarial increase and all subsequent cost of living adjustments; and

(4) the person makes application for medical assistance under this provision prior to July 1, 1987;

(cc) for SSI, reparation payments made under the Republic of Germany's federal law for compensation of nationalist socialist persecution. This paragraph (cc) shall become effective July 1, 1987; and

(dd) for SSI, the amount of the social security adult disabled child benefit for an otherwise eligible SSI person age 18 or older who:

(1) Was receiving SSI benefits that began prior to age 22; and

(2) loses SSI eligibility due solely to the person becoming eligible for the adult disabled child benefits or an increase in the adult disabled child benefits. The effective date of this regulation shall be January 1,

1988. (Authorized by and implementing K.S.A. 39-708c, 39-709; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended, T-84-11, July 1, 1983; amended, T-84-25, Sept. 19, 1983; amended May 1, 1984; amended, T-85-26, Oct. 15, 1984; amended May 1, 1985; amended May 1, 1986; amended, T-87-15, July 1, 1986; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988.)

Article 51.—ADULT ABUSE, NEGLECT OR EXPLOITATION

30-51-1. Definitions. (a) "Alleged perpetrator" means the person identified in the initial report or during the investigation as the person suspected of perpetrating a reported act of abuse, neglect or exploitation.

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

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

(d) "Investigation" means the gathering and assessing of information sufficient to determine if an adult has been abused, neglected or exploited.

(e) "Report of suspected abuse, neglect or exploitation" means information received by the agency or law enforcement that an adult is suspected of being abused, neglected or exploited. (Authorized by and implementing K.S.A. 39-708c, 39-1422; effective, T-88-59, Dec. 16, 1987.)

30-51-2. Right to interview. Each alleged perpetrator shall have an opportunity to be interviewed before a proposed finding is issued identifying a perpetrator under K.A.R. 30-51-3. (Authorized by and implementing K.S.A. 39-708c, 39-1422; effective, T-88-59, Dec. 16, 1987.)

30-51-3. Notice of proposed finding. The notice shall set forth the reasons for the proposed finding and shall inform the alleged perpetrator of the alleged perpetrator's right to appeal the decision in accordance with K.A.R. 30-7-26, et seq. within 30 calendar days from the date the notice was personally delivered or mailed to the perpetrator. (Authorized by and implementing K.S.A. 39-708c, 39-1422; effective, T-88-59, Dec. 16, 1987.)

30-51-4. Central registry. The name of a confirmed perpetrator shall not be entered into the agency's central registry until the person has exhausted or failed to exercise the appeal process in K.A.R. 30-7-26, et seq. (Authorized by and implementing K.S.A. 39-708c, 39-1422; effective, T-88-59, Dec. 16, 1987.)

30-51-5. Expungement of confirmed perpetrator from central registry. (a) Application for expungement.

(1) Any confirmed perpetrator of abuse, neglect or exploitation may apply in writing to the secretary to have the confirmed perpetrator's name expunged from the central registry when three years have passed

since the most recent confirmed incident or when new information is presented.

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

(3) A review hearing shall be convened by the panel at which time the applicant may present evidence supporting expungement of the applicant's name from the central registry. Evidence in support of or in opposition to the application may be presented by the SRS area office which conducted the original investigation at this hearing.

(4) Decisions of the review panel shall be by majority vote. The following factors shall be considered by the panel in making its decision:

(A) The nature and severity of the confirmed act of abuse, neglect or exploitation;

(B) the number of confirmations of abuse, neglect or exploitation involving the applicant; and

(C) changes in circumstances that no longer exist which contributed to the finding of abuse, neglect or exploitation of the applicant.

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

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

(b) Expungement by the agency. Records may be expunged from the central registry by the secretary or the designee of the secretary:

(1) When five years have passed since the most recent incident; and

(2) prior to the implementation of these regulations. (Authorized by and implementing K.S.A. 39-708c, 39-1422; effective, T-88-59, Dec. 16, 1987.)

WINSTON BARTON
Secretary of Social and
Rehabilitation Services

Doc. No. 006192

(Published in the KANSAS REGISTER, February 25, 1988.)

SENATE BILL No. 264

AN ACT concerning medical assistance; relating to determination of persons eligible therefor; concerning recovery of medical assistance paid; amending K.S.A. 21-3605, 39-709 and 39-719a and repealing the existing sections.

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

New Section 1. As used in sections 1 to 8, inclusive:

(a) "Adult care home" means a skilled nursing home or intermediate nursing care home licensed under the adult care home licensure act.

(b) "Excess shelter allowance" means, for the applicant or recipient's spouse, the amount by which the sum of (1) the spouse's expense for rent or mortgage payment, including principal and interest, taxes and insurance and, in the case of a condominium or cooperative, required maintenance charges excluding utilities, for the spouse's principal residence, and (2) the standard utility allowance under section 5(e) of the food stamp act of 1977, exceeds 30% of the maximum amount of income allowed under section 3.

(c) "Home and community based services" means those services provided under the state medical assistance program under waivers as defined in title XIX of the federal social security act in accordance with the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto to recipients who would require admission to an adult care home if such services were not otherwise provided.

(d) "Income" means earned income and unearned income as defined under the state medical assistance program in accordance with the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto to determine eligibility of applicants for medical assistance.

(e) "Institution" means an adult care home or a long-term care unit of a medical care facility.

(f) "Medical assistance" has the meaning provided under K.S.A. 39-702 and amendments thereto.

(g) "Qualified applicant" means a person who (1) applies for medical assistance and (2) is receiving long-term care in an institution or would be eligible for home and community based services if receiving medical assistance.

(h) "Qualified recipient" means a person who (1) receives medical assistance and (2) is receiving long-term care in an institution or is receiving home and community based services.

(i) "Resources" means cash or other liquid assets or any real or personal property that an individual or spouse owns and could convert to cash to be used for such individual's support and maintenance. If the individual has the right, authority or power to liquidate the property, or such individual's share of the property, it is a resource. If a property right cannot be liquidated, the property will not be considered a resource of the individual or spouse.

(j) "Secretary" means the secretary of social and rehabilitation services.

(k) "Exempt income" means income which is not considered in determining eligibility for medical assistance under the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto.

(l) "Nonexempt income" means income which is considered in determining eligibility for medical assistance under the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto.

(m) "Exempt resources" means resources which are not considered in determining eligibility for medical assistance under the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto.

(n) "Nonexempt resources" means resources which are considered in determining eligibility for medical assistance under the plan adopted under subsection (s) of K.S.A. 39-708c and amendments thereto.

(o) "Long-term care" means care which exceeds or is projected to exceed three months, including the month care begins.

New Sec. 2. (a) For the purpose of determining medical assistance eligibility pursuant to K.S.A. 39-709 and amendments thereto and the right to and obligation of medical support for the purposes of K.S.A. 39-709 and 39-719a, and amendments thereto,

a qualified applicant or qualified recipient and such applicant's or recipient's spouse may divide their aggregate resources, whether owned jointly or singly, into separate shares as provided by this section. Subject to the provisions of subsection (g), if a qualified applicant or qualified recipient and such applicant's or recipient's spouse so divide their aggregate resources:

(1) Only the separate nonexempt resources of the applicant or recipient shall be considered in determining eligibility for medical assistance: (A) If the applicant's or recipient's spouse is not applying for or receiving medical assistance, in the month following the month in which the applicant or recipient enters an institution to receive long-term care or begins to receive home and community based services, or at any time thereafter; or (B) if the applicant's or recipient's spouse is applying for or receiving medical assistance, in the seventh month following the month in which the applicant or recipient enters an institution to receive long-term care or begins to receive home and community based services, or at any time thereafter;

(2) the secretary of social and rehabilitation services, in determining the eligibility of the applicant or recipient for long-term institutional care or home and community based services, shall not take into account the separate nonexempt resources of the applicant's or recipient's spouse and shall not require proof of adequate consideration for any transfer made in dividing resources in accordance with this section;

(3) the resources received by the qualified applicant's or qualified recipient's spouse pursuant to this section shall not be considered to be available to the applicant or recipient for future medical support and the qualified applicant's or qualified recipient's spouse shall have no duty of future medical support of the qualified applicant or qualified recipient from such resources;

(4) except as otherwise provided in this section, neither the secretary nor the state may recover from the resources received by the qualified applicant's or qualified recipient's spouse pursuant to this section any amounts paid for future medical assistance provided to the qualified applicant or qualified recipient; and

(5) neither the secretary nor the state shall be subrogated to or assigned any future right of the qualified applicant or qualified recipient to medical support from the resources of the qualified applicant's or qualified recipient's spouse.

(b) If a qualified applicant or qualified recipient and such applicant's or recipient's spouse choose to divide their aggregate resources pursuant to this section, the division shall be in such a manner that the qualified applicant's or qualified recipient's spouse owns singly aggregate nonexempt resources with a value which is the greater of: (A) \$12,000, subject to adjustment under subsection (i); or (B) the lesser of (i) the spousal share computed under subsection (c) or (ii) four times the amount described in clause (A).

(c) There shall be computed, as of the beginning of a continuous period of long-term care of the qualified applicant or qualified recipient: (A) The total value of the nonexempt resources to the extent the qualified applicant or qualified recipient or such applicant's or recipient's spouse has an ownership interest; and (B) a spousal share which is equal to 1/2 of such total value.

(d) A division of resources pursuant to this section shall be evidenced by a written interspousal agreement, signed by both spouses or their personal representatives, to divide the resources as provided by this section and to make any transfers necessary to carry out the division. In the case of a qualified applicant, a notice of intent to divide resources shall be filed with the secretary at the time of application. In the case of a qualified recipient, such notice shall be filed with the secretary at the time the recipient and the recipient's spouse desire to divide resources. The division shall apply to resources owned on the date the notice of intent is filed and the division shall be presumed to take place on that date if a copy of the agreement to divide resources and evidence, satisfactory to the secretary, of completion of any transfers necessary to effect the division are filed with the secretary within 90 days after the notice of intent is filed or within such additional time as permitted by the secretary, in the secretary's discretion, for good cause shown.

(e) Once a qualified applicant for or qualified recipient of

medical assistance has divided resources with a spouse pursuant to this section, such applicant or recipient may not thereafter again divide resources under this section with such spouse or any subsequent spouse.

(f) The secretary of social and rehabilitation services shall furnish to each qualified applicant or qualified recipient and such applicant's or recipient's spouse, and any personal representative thereof, a clear and simple written statement that:

(1) The total resources of the qualified applicant or qualified recipient and of the applicant's or recipient's spouse may be divided hereunder;

(2) upon such a division, the spouse's nonexempt resources will not be considered in determining eligibility of the applicant or recipient for long-term institutional care or home and community based services and the spouse shall not be required to use the resources received by the spouse pursuant to this section to provide future medical support to the qualified applicant or qualified recipient;

(3) a lien for medical assistance paid may be imposed against the property of the qualified applicant or qualified recipient and the property of the applicant's or recipient's spouse but only to the extent authorized under this section.

(g) If a qualified recipient of medical assistance and such recipient's spouse have divided their resources as provided by this section, the secretary, may establish, enforce and foreclose a lien for any amount of medical assistance provided the recipient but only to the extent authorized under 42 U.S.C. 1396p, as in effect on the effective date of this act.

(h) The secretary shall adopt such rules and regulations as necessary to implement and enforce the provisions of this section.

(i) The dollar amounts specified in subsection (b) and section (3)(a) shall be increased by the same percentage as the percentage increase in the consumer price index for all urban consumers, all items, the United States city average, between September, 1987, and the September before the calendar year involved.

New Sec. 3. (a) For the purpose of determining medical assistance eligibility pursuant to K.S.A. 39-709 and amendments thereto and the right to and obligation of medical support for the purposes of K.S.A. 39-709 and 39-719a, and amendments thereto, a qualified applicant or qualified recipient and such applicant's or recipient's spouse may divide their aggregate income, whether received jointly or singly, into separate shares as provided by this section so that the spouse retains the first \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 of the aggregate nonexempt income. If a qualified applicant or qualified recipient and such applicant's or recipient's spouse so divide their aggregate income:

(1) Only the separate nonexempt income of the qualified applicant or qualified recipient shall be considered in determining eligibility for medical assistance: (A) If the applicant's or recipient's spouse is not applying for or receiving medical assistance, in the month following the month in which the applicant or recipient enters an institution to receive long-term care or begins to receive home and community based services, or at any time thereafter; or (B) if the applicant or recipient and the applicant's or recipient's spouse share the same residence and the applicant's or recipient's spouse is applying for or receiving medical assistance, in the seventh month following the month in which the applicant or recipient enters an institution to receive long-term care or begins to receive home and community based services, or at any time thereafter;

(2) the secretary of social and rehabilitation services, in determining the eligibility of the applicant or recipient for long-term institutional care or home and community based services, shall not take into account the separate nonexempt income of the applicant's or recipient's spouse and shall not require proof of adequate consideration for any assignment made in dividing income;

(3) of the annual income of the qualified applicant's or qualified recipient's spouse, only that portion exceeding \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 shall be considered to be available to the qualified

applicant or qualified recipient for future medical support and the qualified applicant's or qualified recipient's spouse shall have a duty of future medical support of the qualified applicant or qualified recipient only to the extent that such spouse's annual income exceeds \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400;

(4) neither the secretary nor the state may recover from the income of the qualified applicant's or qualified recipient's spouse, for future medical assistance provided to the qualified applicant or qualified recipient: (A) Any amount in any calendar year when the income of such spouse is less than \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 or (B) an amount in any calendar year which would reduce such spouse's income to less than \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 for such calendar year; and

(5) the secretary's subrogation rights on behalf of the state shall be subject to the limitation of subsection (a)(4).

(b) A division of income pursuant to this section shall be evidenced by a written interspousal agreement, signed by both spouses or their personal representatives, to divide income as provided by this section and to carry out the division. In the case of a qualified applicant, a notice of intent to divide income shall be filed with the secretary at the time of application. In the case of a qualified recipient, such notice shall be filed with the secretary.

(c) The secretary of social and rehabilitation services shall furnish to each qualified applicant or qualified recipient and such applicant's or recipient's spouse, and any personal representative thereof, a clear and simple written statement that the total income of the qualified applicant or qualified recipient and of the applicant's or recipient's spouse may be divided hereunder and that, upon such a division, the spouse's income will not be considered in determining eligibility of the applicant or recipient for long-term institutional care or home and community based services and the spouse shall be required to use only that portion of the spouse's annual income which exceeds \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 to provide future medical support to the applicant or recipient.

(d) The secretary shall adopt such rules and regulations as necessary to implement and enforce the provisions of this section.

New Sec. 4. (a) No provision of this act shall be considered to be in conflict with any federal statute or regulation until after a final determination by the secretary of the United States department of health and human services finding such a conflict.

(b) If the secretary of the United States department of health and human services makes an initial determination that any provision of this act is in conflict with any federal statute or regulation, the secretary of social and rehabilitation services shall take all available and necessary steps to obtain a final determination reversing that decision. If a final determination is made that this act conflicts with federal law, the secretary of social and rehabilitation services shall immediately request that the attorney general seek judicial review of the determination and shall immediately notify the appropriate policy and fiscal committees of the legislature.

New Sec. 5. Assistance shall not be withheld from any institutionalized person or any person seeking home and community based services who would otherwise qualify for assistance under this act but who, by reason of disability as defined by K.S.A. 59-3002, and amendments thereto, is unable to give the consent prerequisite to the property and income transfers described in this act, provided that the spouse of the individual seeking assistance seeks a court order of maintenance, an order of conservatorship or of property and income division pursuant to this act within one year from the beginning of the first benefit period.

New Sec. 6. For division of income purposes, a court-ordered child support obligation or family maintenance allowance to a prior spouse or spouses shall not be considered available income.

Sec. 7. K.S.A. 21-3605 is hereby amended to read as follows:

(continued)

21-3605. (1) (a) Nonsupport of a child is a parent's failure, neglect or refusal without lawful excuse to provide for the support and maintenance of ~~his or her~~ the parent's child in necessitous circumstances.

(b) As used in this section, "child" means a child under the age of ~~eighteen (18)~~ 18 years, and includes an adopted child or a child born out of wedlock whose parentage has been judicially determined or has been acknowledged in writing by the person to be charged with the support of such child.

(c) At any time before the trial, upon petition and notice, the court, ~~or a judge thereof~~, may enter such temporary order as may seem just providing for support of such child, and may punish for violation of such order as for contempt.

(d) At any stage of the proceeding, instead of ~~or in addition to~~ imposing the penalty hereinafter provided, ~~or in addition to such penalty~~, the court, in its discretion, ~~and having regard to~~ for the circumstances and ~~to~~ the financial ability or earning capacity of the defendant, ~~shall have the power to make~~ may enter an order which shall be subject to change by the court, as circumstances may require, directing the defendant to pay a certain sum periodically, for a term not exceeding the period during which the obligation to support shall continue, to the guardian, conservator or custodian of ~~said~~ such child or to an organization or individual approved by the court as trustee; ~~and~~. The court shall also have the power to release the defendant ~~from custody~~ on probation for the period so fixed, upon ~~his or her~~ the defendant's entering into a recognizance, with or without surety, in such sum as the court ~~or a judge thereof~~ may order and approve. The condition of the recognizance shall be such that if the defendant shall make ~~his or her~~ a personal appearance in court whenever ordered to do so and shall further comply with the terms of such order of support, or of any subsequent modification thereof, then such recognizance shall be void; otherwise the recognizance shall be of full force and effect.

(e) If the court is satisfied by due proof that, at any time during the period while the obligation to support continues, the defendant has violated the terms of such order, the court may forthwith proceed with the trial of the defendant under the original charge, or sentence ~~him or her~~ the defendant under the original conviction, or enforce the suspended sentence as the case may be.

(f) A preponderance of the evidence shall be sufficient to prove that the defendant is the father or mother of such child. In no prosecution under this act shall any existing statute or rule of law prohibiting the disclosure of confidential communications between husband and wife apply, and both husband and wife shall be competent witnesses to testify against each other to any and all relevant matters, including the parentage of such child. Proof of the nonsupport of such child in necessitous circumstances or neglect or refusal to provide for the support and maintenance of such child shall be prima facie evidence that such neglect or refusal is willful.

(g) Nonsupport of a child is a class E felony.

(2) (a) Nonsupport of a spouse is an individual's failure without just cause to provide for the support of ~~his or her~~ such individual's spouse in necessitous circumstances.

(b) At any time before the trial in a prosecution for nonsupport of a spouse, upon petition and notice, the court, ~~or a judge thereof~~, may enter such temporary order as may seem just providing for support of such spouse, and may punish for violation of such order as for contempt.

(c) At any stage of the proceeding, instead of ~~or in addition to~~ imposing the penalty hereinafter provided, ~~or in addition to such penalty~~, the court, in its discretion, ~~and having regard to~~ for the circumstances and ~~to~~ the financial ability or earning capacity of the defendant, ~~shall have the power to make~~ may enter an order which shall be subject to change by the court, as circumstances may require, directing the defendant to pay a certain sum periodically, for a term not exceeding the period during which the obligation to support shall continue, to the spouse or to the guardian or conservator of ~~said~~ such spouse or to an organization or individual approved by the court as trustee; ~~and~~. The court shall also have the power to release the defendant ~~from custody~~ on probation for the period so fixed, upon ~~his or her~~ the defendant's entering into a recognizance, with or without surety, in

such sum as the court ~~or a judge thereof~~ may order and approve. The condition of the recognizance shall be such that if the defendant shall make ~~his or her~~ a personal appearance in court whenever ordered to do so, and shall further comply with the terms of such order of support, or of any subsequent modification thereof, then such recognizance shall be void; otherwise the recognizance shall be of full force and effect.

(d) If the court is satisfied by due proof that, at any time during the period while the obligation to support continues, the defendant has violated the terms of such order, the court may forthwith proceed with the trial of the defendant under the original charge, or sentence ~~him or her~~ the defendant under the original conviction, or enforce the suspended sentence as the case may be.

(e) (i) A division of resources by an individual and such individual's spouse in accordance with section 2 shall be considered just cause for failure to use such individual's share of such resources to provide medical support of such individual's spouse so long as such spouse is receiving medical assistance as defined by K.S.A. 39-702 and amendments thereto.

(ii) A division of income by an individual and such individual's spouse in accordance with section 3 shall be considered just cause for using only that portion of such individual's annual income which exceeds \$9,000 plus any allowable excess shelter allowance up to a maximum total of \$14,400 to provide medical support of such individual's spouse so long as such spouse is receiving medical assistance as defined by K.S.A. 39-702 and amendments thereto.

(f) Nonsupport of a spouse is a class E felony.

Sec. 8. K.S.A. 39-709 is hereby amended to read as follows: 39-709. (a) General eligibility requirements for assistance for which federal moneys are expended. Subject to the additional requirements below, assistance in accordance with plans under which federal moneys are expended may be granted to any needy person who:

(1) Has insufficient income or resources to provide a reasonable subsistence compatible with decency and health. Where a husband and wife are living together, the combined income or resources of both shall be considered in determining the eligibility of either or both for such assistance unless otherwise prohibited by law. The secretary, in determining need of any applicant for or recipient of assistance shall not take into account the financial responsibility of any individual for any applicant or recipient of assistance unless such applicant or recipient is such individual's spouse or such individual's minor child or minor stepchild if the stepchild is living with such individual. The secretary in determining need of an individual may provide such income and resource exemptions as may be permitted by federal legislation.

(2) Is a citizen of the United States or is an alien lawfully admitted to the United States and who is residing in the state of Kansas. If any person transfers or assigns property without adequate consideration or for the purpose of becoming eligible for assistance (A) within the two-year period immediately preceding the application if the value of the property so transferred or assigned is \$12,000 or less or (B) within a period of time in excess of two years, as established by rules and regulations of the secretary, if the value of the property so transferred or assigned is in excess of \$12,000, such person shall thereby become ineligible to receive assistance for such period of time as the value of the property assigned or transferred would have reasonably maintained such person at a standard compatible with decency and health. If any person without the consent of the secretary assigns or transfers property without adequate consideration while on the assistance rolls, after making application for assistance or while receiving assistance, such person shall thereby become ineligible to receive assistance for such period of time as the value of the property assigned or transferred would have reasonably maintained such person at a standard compatible with decency and health.

(b) Assistance to families with dependent children. Assistance may be granted under this act to any dependent child, or relative, subject to the general eligibility requirements as set out in subsection (a), who resides in the state of Kansas or whose

parent or other relative with whom the child is living resides in the state of Kansas. Such assistance shall be known as aid to families with dependent children.

(c) *Aid to families with dependent children; assignment of support rights and limited power of attorney.* (1) By applying for or receiving aid to families with dependent children such applicant or recipient shall be deemed to have assigned to the secretary on behalf of the state any accrued, present or future rights to support from any other person such applicant may have in such person's own behalf or in behalf of any other family member for whom the applicant is applying for or receiving aid. In any case in which an order for child support has been established and the legal custodian and obligee under the order surrenders physical custody of the child to a caretaker relative without obtaining a modification of legal custody and the caretaker relative's support rights are assigned pursuant to this section, the surrender of physical custody and the assignment shall transfer, by operation of law, the child support obligation under the order to the secretary on behalf of the state. Such assignment shall be of all accrued, present or future rights to support of the child surrendered to the caretaker relative. The assignment of support rights shall automatically become effective upon the date of approval for or receipt of such aid without the requirement that any document be signed by the applicant, recipient or obligee. Except as provided by subsection (c)(2), the assignment shall remain in full force and effect so long as such person is an applicant for or recipient of such aid or a caretaker relative no longer has physical custody of the child and aid to dependent children is discontinued. Upon the discontinuance of such aid, the assignment shall remain in effect as to unpaid support obligations due and owing at the time of the discontinuance of such aid until the claim of the secretary of social and rehabilitation services for repayment of the unreimbursed portion of such aid is satisfied. By applying for or receiving aid to dependent children assistance, or by surrendering physical custody of a child to a caretaker relative whose support rights are assigned, the applicant, recipient or obligee is also deemed to have appointed the secretary, or the secretary's designee, as an attorney in fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments representing support payments received by the secretary in behalf of any person applying for, receiving or having received such assistance or in behalf of an obligee whose child receives or has received aid to dependent children because of the child's placement with a caretaker relative. This limited power of attorney shall be effective from the date the secretary approves the application for aid and shall remain in full force and effect as to the respective support rights assigned to the secretary under this subsection (c). The secretary retains the power to endorse all drafts, checks, money orders or other negotiable instruments representing support to which the secretary retains a partial claim pursuant to subsection (c) of K.S.A. 39-754 and amendments thereto.

(2) For a period of five calendar months after a recipient's final aid to families with dependent children payment, the secretary of social and rehabilitation services shall continue to provide all appropriate support enforcement services for the persons who were receiving assistance, unless the former recipient requests that support enforcement services be discontinued. Before the end of the five-month period, the secretary shall send notice to the former recipient that support enforcement services pursuant to this subsection will continue unless a request to discontinue the services is received. The notice shall summarize the services available, any fees charged and policies for cost recovery and collection distribution. During the period services are being provided pursuant to this subsection, the assignment and limited power of attorney provided in subsection (c)(1) shall continue in full force and effect, except that the secretary's claim for repayment of the unreimbursed portion of aid to families with dependent children previously provided shall not be satisfied from support obligations which accrue after the final assistance payment. Nothing in this subsection (c)(2) shall affect or limit any assignment of support rights pursuant to subsection (c)(1) which occurs after the final assistance payment to the recipient.

(d) *Eligibility requirements for general assistance, the cost of which is not shared by the federal government.* (1) General assistance may be granted to eligible persons who do not qualify for financial assistance in a program in which the federal government participates and who satisfy the additional requirements prescribed by or under this subsection (d).

(A) To qualify for general assistance in any form a needy person must have insufficient income or resources to provide a reasonable subsistence compatible with decency and health and, except as provided for transitional assistance, be a member of a family in which a minor child or a pregnant woman resides or be unable to engage in employment. The secretary shall adopt rules and regulations prescribing criteria for establishing when a minor child may be considered to be living with a family and whether a person is able to engage in employment, including such factors as age or physical or mental condition. Eligibility for general assistance, other than transitional assistance, is limited to families in which a minor child or a pregnant woman resides or to an adult or family in which all legally responsible family members are unable to engage in employment. Where a husband and wife are living together the combined income or resources of both shall be considered in determining the eligibility of either or both for such assistance unless otherwise prohibited by law. The secretary in determining need of any applicant for or recipient of general assistance shall not take into account the financial responsibility of any individual for any applicant or recipient of general assistance unless such applicant or recipient is such individual's spouse or such individual's minor child or a minor stepchild if the stepchild is living with such individual. In determining the need of an individual, the secretary may provide for income and resource exemptions.

(B) To qualify for general assistance in any form a needy person must be a citizen of the United States or an alien lawfully admitted to the United States and must be residing in the state of Kansas.

(2) General assistance in the form of transitional assistance may be granted to eligible persons who do not qualify for financial assistance in a program in which the federal government participates and who satisfy the additional requirements prescribed by or under this subsection (d), but who do not meet the criteria prescribed by rules and regulations of the secretary relating to inability to engage in employment or are not a member of a family in which a minor or a pregnant woman resides.

(3) In addition to the other requirements prescribed under this subsection (d), the secretary shall adopt rules and regulations which establish community work experience program requirements for eligibility for the receipt of general assistance in any form and which establish penalties to be imposed when a work assignment under a community work experience program requirement is not completed without good cause. The secretary may adopt rules and regulations establishing exemptions from any such community work experience program requirements. A first time failure to complete such a work assignment requirement shall result in ineligibility to receive general assistance for a period fixed by such rules and regulations of not more than three calendar months. A subsequent failure to complete such a work assignment requirement shall result in a period fixed by such rules and regulations of ineligibility of not more than six calendar months.

(4) If any person transfers or assigns property without adequate consideration or for the purpose of becoming eligible for any form of general assistance (A) within the two-year period immediately preceding the application if the value of the property so transferred or assigned is \$12,000 or less or (B) within a period of time in excess of two years, as established by rules and regulations of the secretary, if the value of the property so transferred or assigned is in excess of \$12,000, such person shall thereby become ineligible to receive any form of general assistance for such period of time as the value of the property assigned or transferred would have reasonably maintained such person at a standard compatible with decency and health. If any person without the consent of the secretary assigns or transfers property

(continued)

without adequate consideration while on the assistance rolls after making application for assistance or while receiving assistance, such person shall thereby become ineligible to receive assistance for such period of time as the value of the property assigned or transferred would have reasonably maintained such person at a standard compatible with decency and health. If any person is found guilty of the crime of theft under the provisions of K.S.A. 39-720 and amendments thereto, such person shall thereby become forever ineligible to receive any form of general assistance under the provisions of this subsection (d) unless the conviction is the person's first conviction under the provisions of K.S.A. 39-720 and amendments thereto or the law of any other state concerning welfare fraud. First time offenders convicted of a misdemeanor under the provisions of such statute shall become ineligible to receive any form of general assistance for a period of 12 calendar months from the date of conviction. First time offenders convicted of a felony under the provisions of such statute shall become ineligible to receive any form of general assistance for a period of 60 calendar months from the date of conviction. If any person is found guilty by a court of competent jurisdiction of any state other than the state of Kansas of a crime involving welfare fraud, such person shall thereby become forever ineligible to receive any form of general assistance under the provisions of this subsection (d) unless the conviction is the person's first conviction under the law of any other state concerning welfare fraud. First time offenders convicted of a misdemeanor under the law of any other state concerning welfare fraud shall become ineligible to receive any form of general assistance for a period of 12 calendar months from the date of conviction. First time offenders convicted of a felony under the law of any other state concerning welfare fraud shall become ineligible to receive any form of general assistance for a period of 60 calendar months from the date of conviction.

(e) *Requirements for medical assistance for which federal moneys or state moneys or both are expended.* When the secretary has adopted a medical care plan under which federal moneys or state moneys or both are expended, medical assistance in accordance with such plan shall be granted to any person who is a citizen of the United States or who is an alien lawfully admitted to the United States and who is residing in the state of Kansas, whose resources and income do not exceed the levels prescribed by the secretary. In determining the need of an individual, the secretary may provide for income and resource exemptions and protected income and resource levels. The secretary shall exempt principal and interest held in irrevocable trust pursuant to subsection (c) of K.S.A. 16-303 and amendments thereto from the eligibility requirements of applicants for and recipients of medical assistance. Such assistance shall be known as medical assistance.

(f) *Eligibility for medical assistance of resident receiving medical care outside state.* A person who is receiving medical care including long-term care outside of Kansas whose health would be endangered by the postponement of medical care until return to the state or by travel to return to Kansas, may be determined eligible for medical assistance if such individual is a resident of Kansas and all other eligibility factors are met. Persons who are receiving medical care on an ongoing basis in a long-term medical care facility in a state other than Kansas and who do not return to a care facility in Kansas when they are able to do so, shall no longer be eligible to receive assistance in Kansas unless such medical care is not available in a comparable facility or program providing such medical care in Kansas. For persons who are minors or who are under guardianship, the actions of the parent or guardian shall be deemed to be the actions of the child or ward in determining whether or not the person is remaining outside the state voluntarily.

(g) *Medical assistance; assignment of rights to medical support and limited power of attorney.* Except as otherwise provided in sections 2 and 3, by applying for or receiving medical assistance under a medical care plan in which federal funds are expended, any accrued, present or future rights to medical support and any rights to payment for medical care from a third party of an applicant or recipient and any other family member for whom the applicant is applying shall be deemed to have been

assigned to the secretary on behalf of the state. The assignment shall automatically become effective upon the date of approval for such assistance without the requirement that any document be signed by the applicant or recipient. Upon the discontinuance of such assistance, the assignment shall remain in effect as to unpaid obligations due and owing at the time of the discontinuance of such assistance until the claim of the secretary for repayment of the unreimbursed portion of such assistance is satisfied. By applying for or receiving medical assistance the applicant or recipient is also deemed to have appointed the secretary, or the secretary's designee, as an attorney in fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments, representing payments received by the secretary in behalf of any person applying for, receiving or having received such assistance. This limited power of attorney shall be effective from the date the secretary approves the application for assistance and shall remain in full force and effect as to the respective rights assigned to the secretary under this subsection. The secretary retains the power to endorse all drafts, checks, money orders or other negotiable instruments representing support to which the secretary retains a partial claim pursuant to subsection (c) of K.S.A. 39-754 and amendments thereto. The assignment of any rights to payment for medical care from a third party under this subsection shall not prohibit a health care provider from directly billing an insurance carrier for services rendered if the provider has not submitted a claim covering such services to the secretary for payment.

(h) *Placement under code for care of children or juvenile offenders code; assignment of support rights and limited power of attorney.* In any case in which the secretary of social and rehabilitation services pays for the expenses of care and custody of a child pursuant to K.S.A. 38-1501 *et seq.* or 38-1601 *et seq.*, and amendments thereto, including the expenses of any foster care placement, an assignment of all past, present and future support rights of the child in custody possessed by either parent or other person entitled to receive support payments for the child is, by operation of law, conveyed to the secretary. Such assignment shall become effective upon placement of a child in the custody of the secretary or upon payment of the expenses of care and custody of a child by the secretary without the requirement that any document be signed by the parent or other person entitled to receive support payments and shall remain in full force and effect so long as such expenses are paid or the child remains in the custody of the secretary. When the payment of expenses by the secretary ceases or the secretary is relieved of custody of the child, the assignment shall remain in effect as to unpaid support obligations due and owing for the child who was in custody at the time payments for expense of care and custody or custody of the child are discontinued until the claim of the secretary of social and rehabilitation services has been satisfied. Such claim under this subsection is limited to an amount not exceeding the amount of assistance provided to the child. When the secretary pays for the expenses of care and custody of a child or a child is placed in the custody of the secretary, the parent or other person to whom support is ordered paid in a previously existing order for support is also deemed to have appointed the secretary, or the secretary's designee, as attorney in fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments representing support payments received by the secretary on behalf of any parent or other person otherwise entitled to receive support payments pursuant to the assignment of support rights. This limited power of attorney shall be effective from the date the assignment to support rights becomes effective and shall remain in full force and effect as to the respective support rights assigned to the secretary under this subsection. The secretary retains the power to endorse all drafts, checks, money orders or other negotiable instruments representing support to which the secretary retains a partial claim pursuant to K.S.A. 39-754 and amendments thereto.

Sec. 9. K.S.A. 39-719a is hereby amended to read as follows: 39-719a. Where medical assistance has been paid by the secretary and a third party has a legal obligation to pay such medical

expenses to or on behalf of the recipient, the secretary may recover the same from the recipient or from the third party and shall be in all respects subrogated to the rights of the recipient in such cases *except as provided in sections 2 and 3.*

Sec. 10. K.S.A. 21-3605, 39-709 and 39-719a are hereby repealed.

Sec. 11. This act shall take effect and be in force from and after May 1, 1988, and its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 11, 1987.

SENATE concurred in HOUSE amendments February 11, 1988.

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

Passed the HOUSE as amended February 3, 1988.

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

APPROVED February 17, 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 17th day of February, 1988.

(SEAL) BILL GRAVES
Secretary of State.

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF REDEMPTION
Riley County, Kansas
Single Family Mortgage Revenue Bonds
1980 Series A

Notice is hereby given that, pursuant to Section 3.01 of the Trust Indenture dated April 1, 1980, \$1,035,000 principal amount of the bonds are called for redemption April 1, 1988, at the redemption price of 100 percent of the principal amount being redeemed plus accrued interest thereon to the redemption date. This notice was first published on Thursday, February 25, 1988 in the *Kansas Register* and *The Bond Buyer*.

The serial numbers of the bearer bonds to be redeemed are as follows: NOTE: Coupons due April 1, 1988 should be presented in the normal manner. Coupons due October 1, 1988 and all subsequent coupons must be attached to bonds called for redemption.

Due April 1, 1989: 120, 129
(CUSIP 766642 AH)

Due April 1, 1990: 145, 170
(CUSIP 766642 AJ)

Due April 1, 1991: 172, 178
(CUSIP 766642 AK)

Due April 1, 1992: 207, 217, 230
(CUSIP 766642 AL)

Due April 1, 1993: 252, 254, 273
(CUSIP 766642 AM)

Due April 1, 1994: 291, 295, 324
(CUSIP 766642 AN)

Due April 1, 2011
(CUSIP 766642 AP)

376	759	1191	1629	2137	2572
383	767	1206	1646	2150	2611
418	777	1248	1654	2159	2626
432	783	1258	1667	2183	2631
442	808	1266	1693	2187	2657
451	849	1286	1711	2195	2660
455	854	1295	1734	2197	2668
457	857	1299	1735	2207	2676
461	883	1312	1737	2220	2690
482	885	1347	1769	2261	2696
485	894	1348	1815	2264	2706
499	900	1364	1845	2278	2720
510	939	1378	1851	2281	2743
515	954	1407	1855	2292	2756
542	957	1409	1863	2296	2792
565	961	1416	1874	2317	2805
574	967	1417	1879	2328	2824
586	986	1426	1883	2337	2831
596	1014	1447	1888	2346	2839
623	1016	1460	1892	2350	2858
630	1032	1475	1907	2371	2866
658	1047	1487	1928	2380	2869
665	1102	1497	1960	2458	2878
683	1115	1504	1967	2473	2880
684	1120	1517	2010	2477	2885
723	1122	1520	2018	2493	
733	1134	1540	2052	2509	
739	1136	1584	2105	2517	
740	1154	1600	2110	2543	
748	1187	1610	2124	2563	

The serial numbers of the registered bonds to be partially or fully redeemed in the amounts described below are as follows:

Due April 1, 2011:
(CUSIP 766642 AP)

Registered Bond Number	Amount Called
R 28	5,000
R 89	5,000
R 93	30,000
R 95	40,000
R100	5,000

Payment of the redemption price of the bearer bonds and the registered bonds to be redeemed will be made at Security Bank of Kansas City, One Security Plaza, Kansas City, KS 66117. To avoid a 20 percent backup withholding required by the Interest and Dividend Tax Act of 1983, bondholders should submit certified taxpayer identification numbers when presenting their securities for collection.

Notice is hereby given that on and after April 1, 1988, interest on the bonds hereby called for redemption shall cease to accrue.

Security Bank of Kansas City
Kansas City, Kansas, Trustee

Doc. No. 006244

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF REDEMPTION
Gearly County, Kansas
Single Family Mortgage Revenue Bonds
1980 Series A

Notice is hereby given that, pursuant to Section 3.01 of the Trust Indenture dated April 1, 1980, \$700,000 principal amount of the bonds are called for redemption April 1, 1988, at the redemption price of 100 percent of the principal amount being redeemed plus accrued interest thereon to the redemption date. This notice was first published on Thursday, February 25, 1988 in the *Kansas Register* and *The Bond Buyer*.

The serial numbers of the bearer bonds to be redeemed are as follows: NOTE: Coupons due April 1, 1988 should be presented in the normal manner. Coupons due October 1, 1988 and all subsequent coupons must be attached to bonds called for redemption.

Due April 1, 1989: 78
 (CUSIP 368342 AH)

Due April 1, 1990: 98
 (CUSIP 368342 AJ)

Due April 1, 1991: 116, 134
 (CUSIP 368342 AK)

Due April 1, 1992: 136, 144
 (CUSIP 368342 AL)

Due April 1, 1993: 162, 179
 (CUSIP 368342 AM)

Due April 1, 1994: 204, 207
 (CUSIP 368342 AN)

Due April 1, 2011
 (CUSIP 368342 AP)

238	532	786	1109	1391	1656
242	557	798	1112	1404	1681
273	562	831	1136	1407	1710
291	563	840	1162	1425	1734
297	571	867	1169	1447	1742
306	576	899	1181	1451	1760
309	578	918	1211	1470	1762
320	598	919	1214	1472	1775
343	612	937	1217	1479	1785
350	653	951	1232	1500	1810
355	671	954	1255	1517	1840
364	693	957	1256	1522	1841
378	697	962	1259	1523	1846
423	701	978	1275	1532	1857
435	703	1016	1277	1593	1874
441	709	1035	1287	1600	1909
461	717	1056	1294	1605	1919
506	747	1069	1313	1618	
507	748	1071	1337	1624	
520	768	1078	1382	1638	
523	784	1088	1387	1647	

The serial numbers of the registered bonds to be partially or fully redeemed in the amounts described below are as follows:

Due April 1, 2011:
 (CUSIP 368342 AP)

Registered Bond Number	Amount Called
R47	5,000
R50	5,000
R87	5,000
R92	20,000
R93	5,000

Payment of the redemption price of the bearer bonds and the registered bonds to be redeemed will be made at Security Bank of Kansas City, One Security Plaza, Kansas City, KS 66117. To avoid a 20 percent backup withholding required by the Interest and Dividend Tax Act of 1983, bondholders should submit certified taxpayer identification numbers when presenting their securities for collection.

Notice is hereby given that on and after April 1, 1988, interest on the bonds hereby called for redemption shall cease to accrue.

Security Bank of Kansas City
 Kansas City, Kansas, Trustee

Doc. No. 006242

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF CALL FOR REDEMPTION
to the holders of
the City of South Hutchinson, Kansas
Waterworks Revenue Bonds
Series A 1972, Dated January 1, 1972

Notice is hereby given that pursuant to the provisions of Section 2 of Ordinance No. 271 of the city, duly adopted February 24, 1972, the above-mentioned bonds maturing October 1, 1988 and thereafter, and all unmaturing coupons appertaining thereto, have been called for redemption and payment on April 1, 1988 at the office of the Kansas State Treasurer, Topeka, Kansas (the paying agent).

Maturity	Principal Amount	Interest Rate
October 1, 1988	\$15,000	6 1/4%

On such redemption date there shall become due and payable, upon the presentation and surrender of each such bond, the redemption price thereof equal to 104 percent of the principal amount of each bond together with interest accrued to the redemption date (upon the presentation and surrender of each such bond and appropriate coupons appertaining thereto). Interest shall cease to accrue on the bonds and all unmaturing coupons appertaining thereto so called for redemption from and after April 1, 1988, provided that sufficient funds for redemption are on deposit with the paying agent. Provision for redemption of such bonds and interest thereon to the redemption date has been made pursuant to an escrow trust agreement between the city of South Hutchinson, Kansas and the Southwest National Bank of Wichita, Wichita, Kansas, dated as of July 15, 1987. This notice of call for redemption replaces the call notice published September 24, 1987.

The Southwest National Bank of
 Wichita, Wichita, Kansas

Doc. No. 006251

(Published in the Kansas Register, February 25, 1988.)

NOTICE OF REDEMPTION

**City of Junction City, Kansas
Industrial Revenue Bonds
Series April 1, 1976
(Mobile Traveler, Inc.)**

Notice is hereby given pursuant to the provision of Ordinance No. S-2138 of the city of Junction City, Kansas, that the following numbered bonds of the issue of industrial revenue bonds, Series April 1, 1976, dated April 1, 1976, due April 1, 1989 and April 1, 1990, have been called for redemption on April 1, 1988.

Bonds of the denomination of \$5,000, bearing the following maturity and numbers:

Bonds maturing April 1, 1989
78 thru 88, inclusive

Bonds maturing April 1, 1990
89 thru 100 inclusive

Said bonds will be due and payable in lawful money of the United States at the principal office of BANK IV Topeka, N.A., Topeka, Kansas, at 102.5 percent of the principal amount thereof, on April 1, 1988. From and after April 1, 1988, interest on said bonds will cease.

BANK IV Topeka, N.A., Topeka, Kansas
By: Joel K. Huet
Assistant Trust Officer

Doc. No. 006235

(Published in the Kansas Register, February 25, 1988.)

**NOTICE OF REDEMPTION
to the holders of**

Finney County, Kansas

**Single Family Mortgage Revenue Bonds, 1980 Series A
Due October 1, 1988 to October 1, 2009**

Notice is hereby given that pursuant to Section 3.01 of the Trust Indenture dated as of January 1, 1980, \$1,450,000 amount of bonds, as listed below, are called for redemption on April 1, 1988, at a redemption price of 100 percent of the principal price being redeemed plus accrued interest to April 1, 1988.

Coupon bonds of \$5,000 denominations, called in full, bearing CUSIP No. 318037 and Suffix:

AG3	580	877	1175	1674	2173
271	581	880	1195	1684	2174
280	599		1205		2180
302	603	AQ1	1207	AV0	2184
311		893	1218	1724	2185
316	AM0	898		1745	2187
	609	903	AT5	1754	2419
AH1	623	919	1241	1762	2420
331	628	920	1248	1764	2576
347	631	921	1261	1766	2599
362	641	928	1264	1798	2820
368	652	932	1268	1836	2827
380	658	937	1367	1839	2890
	685	963		1851	2894
AJ7			AU2	1855	2932
393	AN8	AR9	1386	1950	2961
421	697	991	1498	1959	2962
434	703	996	1505	2001	2990
449	747	997	1521	2005	2992
452	751	1000	1522	2006	2998
	753	1013	1526	2011	3073

AK4	763	1038	1536	2012	3082
459	765	1063	1545	2016	3083
460	779	1070	1561	2030	3116
491		1075	1563	2045	3198
492	AP3	1082	1585	2096	3277
513	792		1607	2101	3306
524	795	AS7	1624	2103	3328
	804	1120	1637	2140	3332
AL2	827	1130	1668	2163	3335
544	837	1131	1669	2164	3343
561	858	1171	1672	2167	

In addition to the coupon bonds listed above, the following are registered bonds to be redeemed in whole or in part bearing CUSIP No. 318037 and Suffix:

Suffix	Bond Number	Total Principal	Amount Called
AJ7	R153	\$ 20,000	\$ 5,000
AM0	R141	15,000	5,000
AN8	R161	20,000	5,000
AS7	R154	70,000	5,000
AT5	R157	85,000	10,000
AT5	R146	190,000	15,000
AT5	R178	5,000	5,000
AU2	R148	465,000	45,000
AV0	R183	2,500,000	465,000
AV0	R149	10,000	10,000
AV0	R152	25,000	5,000
AV0	R99	100,000	15,000
AV0	R102	20,000	5,000
AV0	R96	10,000	5,000
AV0	R95	25,000	5,000

All bonds may be presented for payment at the following address:

Continental Illinois National Bank
and Trust Company of Chicago
Attn: Corporate Trust Operations
30 N. LaSalle St., 16th Floor
Chicago, IL 60697

Where a fully registered bond is redeemed in part, a new, fully registered bond for the unredeemed portion will be issued and returned without charge. Interest on the bonds or portion of bonds called for redemption will cease to accrue on April 1, 1988. Coupons for April 1, 1988 should be detached and presented in the usual manner.

Under the provisions of the Interest and the Dividend Tax Compliance Act of 1983, paying agents making payments of interest or principal on corporate securities or making payments of principal on municipal securities may be obligated to withhold a 20 percent tax from remittances to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Holders of the above described securities who wish to avoid the imposition of this tax should submit certified taxpayer identification numbers when presenting their securities for collection.

Dated February 25, 1988.

FINNEY COUNTY, KANSAS
By Continental Illinois National Bank
and Trust Company of Chicago,
Trustee

Doc. No. 006245

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF REDEMPTION

**City of Horton, Kansas
Industrial Revenue Bonds, Series A, 1973
(Tri-County Manor Nursing Home)**

Notice is hereby given that pursuant to Section 6 of Ordinance No. 748 of the city of Horton, Kansas, there will be redeemed on April 1, 1988, city of Horton, Kansas industrial revenue bonds, Series A, 1973 (Tri-County Manor Nursing Home), maturing on October 1 in each of the years from 1988 to 1993, inclusive, and being numbered from 60 to 358, inclusive. Said bonds will be redeemed at a redemption price equal to 103 percent of the principal amount thereof, plus accrued interest thereon to the redemption date.

On April 1, 1988, all of the abovesaid bonds will be due and payable at the principal office of the Kansas State Treasurer, Topeka, Kansas, the paying agent for the bonds. All coupons maturing subsequent to April 1, 1988 must be attached and surrendered with said bonds. From and after April 1, 1988, interest on said bonds will cease to accrue.

Dated February 12, 1988.

CITY OF HORTON, KANSAS
By: The Southwest National Bank
of Wichita, Trustee
400 E. Douglas
P.O. Box 1401
Wichita, KS 67201

Doc. No. 006250

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF REDEMPTION

**Cowley County, Kansas
Single Family Mortgage Revenue Bonds
1980 Series A**

Notice is hereby given that, pursuant to Section 3.01 of the Trust Indenture dated April 1, 1980, \$965,000 principal amount of the bonds are called for redemption April 1, 1988, at the redemption price of 100 percent of the principal amount being redeemed plus accrued interest thereon to the redemption date. This notice was first published on Thursday, February 25, 1988 in the *Kansas Register* and *The Bond Buyer*.

The serial numbers of the bearer bonds to be redeemed are as follows: NOTE: Coupons due April 1, 1988 should be presented in the normal manner. Coupons due October 1, 1988 and all subsequent coupons must be attached to bonds called for redemption.

Due April 1, 1989: 197, 208
(CUSIP 223900 AJ)

Due April 1, 1990: 237, 277, 278
(CUSIP 223900 AK)

Due April 1, 1991: 303, 314, 321
(CUSIP 223900 AL)

Due April 1, 1992: 334, 360, 366
(CUSIP 223900 AM)

Due April 1, 1993: 393, 419, 436
(CUSIP 223900 AN)

Due April 1, 1994: 457, 496, 504
(CUSIP 223900 AP)

**Due April 1, 2011
(CUSIP 223900 AQ)**

536	1003	1510	2057	2621	3137
542	1012	1577	2058	2650	3153
545	1049	1578	2076	2671	3184
563	1067	1579	2088	2672	3209
564	1069	1604	2221	2708	3220
565	1082	1619	2224	2709	3235
593	1108	1625	2229	2728	3242
620	1110	1627	2237	2746	3247
627	1111	1658	2265	2760	3251
628	1201	1683	2271	2777	3268
680	1211	1710	2279	2793	3307
717	1213	1745	2280	2804	3308
721	1237	1761	2293	2815	3322
770	1254	1814	2332	2841	3357
773	1256	1819	2364	2844	3388
774	1259	1826	2399	2896	3430
783	1298	1830	2404	2908	3432
814	1310	1855	2420	2912	3440
819	1320	1858	2468	2936	3454
873	1358	1863	2472	2961	3469
874	1375	1901	2477	2969	3470
878	1412	1920	2485	2970	3483
892	1420	1950	2495	2991	3577
934	1448	1972	2502	3019	3598
955	1487	1999	2536	3035	3602
962	1489	2016	2553	3071	
989	1495	2034	2566	3088	
1002	1496	2045	2573	3110	

The serial numbers of the registered bonds to be partially or fully redeemed in the amounts described below are as follows:

**Due April 1, 1994:
(CUSIP 223900 AP)**

Registered Bond Number	Amount Called
R78	5,000

**Due April 1, 2011:
(CUSIP 223900 AQ)**

Registered Bond Number	Amount Called
R43	5,000
R55	10,000
R67	5,000
R71	5,000
R80	20,000
R85	5,000

Payment of the redemption price of the bearer bonds and the registered bonds to be redeemed will be made at Security Bank of Kansas City, One Security Plaza, Kansas City, KS 66117. To avoid a 20 percent backup withholding required by the Interest and Dividend Tax Act of 1983, bondholders should submit certified taxpayer identification numbers when presenting their securities for collection.

Notice is hereby given that on and after April 1, 1988, interest on the bonds hereby called for redemption shall cease to accrue.

Security Bank of Kansas City
Kansas City, Kansas, Trustee

Doc. No. 006243

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF BOND SALE
\$2,560,000
Internal Improvement Bonds
Series F 1988
of the
City of Lawrence, Kansas
(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, city clerk of the city of Lawrence, Kansas, on behalf of the governing body at the City Hall, 6 E. 6th, Lawrence, until 11 a.m. C.S.T. on Tuesday, March 1, 1988, for the purchase of \$2,560,000 principal amount of internal improvement bonds, Series F 1988, of the city hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body at its meeting to be held at 7 p.m. on the date of sale. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated April 1, 1988, and will become due semiannually on March 1 and September 1 in the years as follows:

Maturity	Principal Amount
3/1/89	\$130,000
9/1/89	\$130,000
3/1/90	\$130,000
9/1/90	\$130,000
3/1/91	\$130,000
9/1/91	\$130,000
3/1/92	\$130,000
9/1/92	\$130,000
3/1/93	\$130,000
9/1/93	\$130,000
3/1/94	\$130,000
9/1/94	\$130,000
3/1/95	\$125,000
9/1/95	\$125,000
3/1/96	\$125,000
9/1/96	\$125,000
3/1/97	\$125,000
9/1/97	\$125,000
3/1/98	\$125,000
9/1/98	\$125,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 1989.

Place of Payment and Bond Registration

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the Kansas State Treasurer, Topeka, Kansas (the paying agent and bond registrar), to the registered owners thereof whose names are on the registration books of the bond registrar as of the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date. The bonds will be registered pursuant to a plan of registration approved by the city and the Kansas Attorney General.

The city will pay for the fees of the bond registrar for

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

Redemption of Bonds Prior to Maturity

Bonds maturing in the years 1989 to 1994, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the years 1995 and thereafter may be called for redemption and payment prior to maturity in whole or in part (selection of bonds to be designated by the city in such equitable manner as it may determine) on March 1, 1994, or on any interest payment date thereafter at the redemption price of 100 percent (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

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

If the city elects to call any bonds for redemption and payment prior to the maturity thereof, the city shall give written notice of its intention to call and pay said bonds on a specified date, the same being described by maturity, said notice to be mailed by United States certified mail addressed to the owners of said bonds, to the Kansas State Treasurer, to the original purchaser of the bonds and to the paying agent, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. The city shall also give such additional notice as may be required by Kansas law in effect as of the date of such notice. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 12-6a01 to 12-6a17, inclusive; K.S.A. 12-685 to 12-690, inclusive; and K.S.A. 13-1024a, all as may be amended, for the purpose of paying the cost of certain street, sidewalk, storm drainage and park improvements. The bonds and the interest thereon will constitute general obligations of the city, payable in part from special assessments levied upon the property benefitted by the construction of said improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall

(continued)

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

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$51,200 (2 percent of the principal amount of the bonds) payable to the order of the city to secure the city from any loss resulting from the failure of the bidder to comply with the terms of the bid. Good faith checks submitted by unsuccessful bidders will be returned. If a bid is accepted, said check or the proceeds thereof will be held by the city until the bidder has complied with all of the terms and conditions of this notice. If a bid is accepted but the city fails to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check or the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the city as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the city, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the city. If there is any discrepancy between the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body shall determine which bid, if any, will be accepted, and its determination is final. The city reserves the right to reject any and all bids and to waive any irregularities in a submitted bid. Any bid received after 11 a.m. on the date of sale will be returned to the bidder unopened.

Bid Forms

All bids must be made on forms which may be procured from the city clerk. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid.

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned city clerk and marked "Proposal for Internal Improvement Bonds." Bids may be submitted by mail or delivered in person to the undersigned at the City Hall and must be received by the undersigned prior to 11 a.m. C.S.T. on Tuesday, March 1, 1988.

Bond Rating

The outstanding general obligation bonds of the city are rated "A1" by Moody's Investors Service, Inc., and the city has applied for rating on the bonds herein offered for sale.

CUSIP Numbers

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

Delivery and Payment

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

The number and denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners must be submitted in writing by the successful bidder to the city and bond registrar at least two weeks prior to the closing date. In the absence of such information, the city will deliver one bond per maturity registered in the name of the manager of the successful bidder.

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

Official Statement

The city has prepared an official statement dated March 1, 1988, copies of which may be obtained from the city clerk. Upon the sale of the bonds, the city will furnish the successful bidder with a reasonable number of copies

thereof without additional cost upon request. Additional copies may be ordered at the successful bidder's expense.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city, for the year 1987, is as follows:

Equalized assessed valuation of taxable tangible property	\$148,901,888
Tangible valuation of motor vehicles	32,980,120
Equalized assessed tangible valuation for computation of bonded debt limitations	\$181,882,008

The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$17,646,025. Temporary notes in the principal amount of \$2,665,000 will be retired out of proceeds of the bonds and other available city funds.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Overland Park, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the city, printed on the bonds and delivered to the successful bidder as and when the bonds are delivered.

Opinion of Bond Counsel

In the opinion of bond counsel, assuming continued compliance by the city with the terms of the bond ordinance, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the school district comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so included in federal gross income retroactive to the date of issuance of the bonds. The city district has covenanted to comply with all such requirements.

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

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

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

Related Federal Tax Matters

Prospective purchasers of the bonds should be aware that (i) Section 265 of the code denies a deduction for interest on indebtedness incurred or continued to pur-

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

Additional Information

Additional information regarding the bonds may be obtained from the City Clerk, City Hall, 6 E. 6th, Lawrence, KS, (913) 841-7722.

Dated February 16, 1988.

CITY OF LAWRENCE, KANSAS
Raymond J. Hummert, City Clerk
City Hall
6 E. 6th
Lawrence, KS 66044
(913) 841-7722

Doc. No. 006233

(Published in the *Kansas Register*, February 25, 1988.)

NOTICE OF BOND SALE
\$300,000

General Obligation Bonds
Series 1988

of

Unified School District 202
Wyandotte County, Kansas

(general obligation bonds payable from
unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, clerk of the Board of Education of Unified School District 202, Wyandotte County, Kansas, on behalf of the Board of Education at 1800 S. 55th, Kansas City, Kansas, until 7:30 p.m. C.S.T. on Tuesday, March 1, 1988, for the purchase of \$300,000 principal amount of general obligation bonds, Series 1988, of the school district hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the

(continued)

governing body immediately thereafter. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated April 1, 1988, and will become due serially on November 1 in the years as follows.

Year	Principal Amount
1989	\$45,000
1990	60,000
1991	60,000
1992	65,000
1993	70,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on May 1 and November 1 in each year, beginning on May 1, 1989.

Place of Payment and Bond Registration

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the Kansas State Treasurer, Topeka, Kansas (the paying agent and bond registrar), to the registered owners thereof whose names are on the registration books of the bond registrar as of the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date. The bonds will be registered pursuant to a plan of registration approved by the school district and the Kansas Attorney General.

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

Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 1987 Supp. 12-5401, as amended, for the purpose of paying the cost of certain asbestos removal and control improvements. The bonds and the interest thereon will constitute general obligations of the school district, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the school district.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1 percent. No interest rate may exceed a rate equal to the index of treasury bonds published by the weekly *Credit Markets* in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. The difference between the highest rate specified and the lowest specified cannot exceed 1 percent. No bid of less than the entire par value of the bonds and accrued interest thereon to the date of delivery will be considered and no supplemental interest payments will be considered. Each bid must specify the total interest cost to the school district during the term of the bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the school district on the basis of such bid, all certified by the bidder to be correct, and

the school district will be entitled to rely on the certificate of correctness of the bidder. Each bid must also specify the average annual net interest rate to the school district on the basis of such bid.

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$6,000 (2 percent of the principal amount of the bonds) payable to the order of the school district to secure the school district from any loss resulting from the failure of the bidder to comply with the terms of the bid. Good faith checks submitted by unsuccessful bidders will be returned. If a bid is accepted, said check or the proceeds thereof will be held by the school district until the bidder has complied with all of the terms and conditions of this notice. If a bid is accepted but the school district fails to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check or the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the school district as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the school district, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the school district. If there is any discrepancy between the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body will determine which bid, if any, will be accepted, and its determination is final. The school district reserves the right to reject any and all bids and to waive any irregularities in a submitted bid. Any bid received after 7:30 p.m. on the date of sale will be returned to the bidder unopened.

Bid Forms

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

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned clerk of the Board of Education, and marked "Proposal for General Obligation Bonds." Bids may be submitted by mail or delivered in person to the undersigned at the school district offices and must be received by the undersigned prior to 7:30 p.m. C.S.T. on Tuesday, March 1, 1988.

CUSIP Numbers

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

Delivery and Payment

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

The number and denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners must be submitted in writing by the successful bidder to the school district and bond registrar at least two weeks prior to the closing date. In the absence of such information, the school district will deliver one bond per maturity registered in the name of the manager of the successful bidder.

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

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the school district, for the year 1987, is as follows:

Equalized assessed valuation of taxable tangible property	\$53,148,939
Tangible valuation of motor vehicles	<u>10,910,534</u>
Equalized assessed tangible valuation for computation of bonded debt limitations	64,059,473

The total general obligation indebtedness of the school district as of the date of the bonds, including the bonds being sold, is \$600,000.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Overland Park, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the school district, printed on the bonds and delivered to the successful bidder as and when the bonds are delivered.

Opinion of Bond Counsel

In the opinion of bond counsel, assuming continued compliance by the school district with the terms of the bond resolution, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of

computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the school district comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so included in federal gross income retroactive to the date of issuance of the bonds. The school district has covenanted to comply with all such requirements.

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

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

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

Related Federal Tax Matters

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

Additional Information

Additional information regarding the bonds may be obtained from O. Nelson Hart, clerk of the Board of Education, Unified School District No. 202, Wyandotte County, Kansas, at 1800 S. 55th, Kansas City, KS 66106, (913) 287-7500.

Dated February 16, 1988.

Unified School District 202
Wyandotte County, Kansas
By O. Nelson Hart, Clerk

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

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