KANSAS BILL GRAVES

State of Kansas

Secretary of State

		July 14, 1988	· ·	Pages 1267-129
Vol. 7, No. 28		.HIIV 14 TUXX	,	Faues 1201-125
VOI / NO /A		UUIT IT. IUUU		
YU1. /. 11U. ZU	and the second s			
	and the second s			

IN	THIS ISSUE	Page
	Legislative Interim Committee Schedule	1268
	Social and Rehabilitation Services Notice of Hearing on Low Income Energy Assistance Block Grant State Plan	
	Kansas Water Authority Notice of Meeting Cancellation	. 1269
	Department of Transportation Notice to Contractors	.1269
	Secretary of State Notice of Availability of 1988 Session Laws of Kansas Notice of Judgment Interest Rate Notice of Corporations Forfeited	.1270
	State Grain Inspection Department Notice of Meeting of the Grain Advisory Board	.1271
	State Conservation Commission Notice to Contractors	.1271
	Department of Wildlife and Parks Notice of Hearing on Proposed Administrative Regulations	.1271
	Division of Services for the Blind Advisory Committee Notice of Meeting	
	Notice to Bidders for State Purchases	.1273
	Executive Appointments	.1273
	Temporary Administrative Regulations State Grain Inspection Department	.1275 .1277
	Notice of Bond Sale City of Overland Park City of Derby City of Wichita	.1287
	Attorney General Opinions No. 88-86 through 88-91	.1294

State of Kansas

LEGISLATURE

INTERIM COMMITTEE SCHEDULE

The following committee meetings have been scheduled during the period of July 18 through July 31:

Date July 18 July 19	Room 519-S 519-S	Time 10:00 a.m. 9:00 a.m.	Committee Special Committee on Judiciary	Agenda 18th: Hearing on Proposal No. 18—Statute of Limitations. 19th: Hearing on Proposal No. 19—Structured Settlements.
July 18 July 19	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on School Finance	18th: Hearings/property reappraisal update. 19th: Continuation of hearings (if needed) and committee discussion.
July 19 July 20	527-S 527-S	1:30 p.m. 9:00 a.m.	Legislative Educational Planning Committee	Agenda unavailable.
July 20 July 21	519-S 519-S	10:00 a.m. 9:00 a.m.	Special Committee on Assessment and Taxation	 20th: Staff background on Proposal No. 6—Partial Property Tax Exemption; staff background, reappraisal update, and use value presentation by PVD re Proposal No. 5—Monitor Reappraisal. 21st: Background and hearings on Proposal No.7—Corporation Income Tax (emphasis on Alternative Minimum Tax); background on Proposal No. 8—Appraiser Certification.
July 21 July 22	527-S 527-S	10:00 a.m. 9:00 a.m.	Special Committee on Public Health and Welfare	Review and background on all proposals.

The Kansas Register is an official publication of the State of Kansas, published by authority of K.S.A. 75-430. The Kansas Register is published weekly by the Kansas Secretary of State, State Capitol, Topeka, KS 66612-1594. One-year subscriptions are \$55. Single copies may be purchased, if available, for \$2 each. Second class postage paid at Topeka, KS. ISSN No. 0744-2254.

Postmaster. Send change of address form to Kansas Register, Secretary of State, State Capitol, Topeka, KS 66612-1594. © Kansas Secretary of State 1988. Reproduction of this publication in its entirety or for commercial purposes is prohibited without prior permission. Official enactments of the Kansas Legislature and proposed and adopted administrative regulations of state agencies may be reproduced in any form without permission.

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



Phone: (913) 296-3489

The following revision has been made in interim committee charge—Proposal No. 48:

Special Committee on Ways and Means/Appropriations Proposal No. 48—Prison Construction (revised: July 1, 1988)

Review and monitor the 1988 initiatives to address prison overcrowding and assess the need for new prison facilities.

The following changes have been made in interim committee assignments on:

Special Committee on Public Health and Welfare Senator Jim Allen replaces Senator Richard Bond.

Special Committee on Judiciary

Representative Alex Scott has been appointed as a member. (Dr. Alex Scott was appointed representative of the 65th District to fill the vacancy created by the resignation of Edward C. Rolfs.)

WILLIAM R. BACHMAN Director of Legislative Administrative Services

Doc. No. 006809

State of Kansas SOCIAL AND REHABILITATION SERVICES

NOTICE OF HEARING ON LOW INCOME ENERGY ASSISTANCE BLOCK GRANT STATE PLAN

The public is invited to provide input on a proposed plan for use of the 1989 low income home energy assistance block grant. The plan is available at no cost from SRS directors or from the Division of Income Maintenance, Room 624-South, Docking State Office Building, Topeka 66612.

A public hearing on the proposed plan will be broadcast to SRS area offices throughout the state at 9 a.m. August 9. Written comments received by August 10 will be considered in development of the final plan, which will be submitted to the Department of Health and Human Services.

WINSTON BARTON Secretary of Social and Rehabilitation Services

Doc. No. 006802

State of Kansas KANSAS WATER AUTHORITY

NOTICE OF MEETING CANCELLATION

The Kansas Water Authority has cancelled the July 20 meeting which was to be held in Wichita. The next meeting of the authority will be August 24 in Salina.

JOHN L. BALDWIN Chairman

Doc. No. 006810

State of Kansas DEPARTMENT OF TRANSPORTATION

NOTICE TO CONTRACTORS

Sealed proposals for the construction of road and bridge work in the following Kansas county will be received at the office of the Chief of Construction and Maintenance, K.D.O.T., Topeka, until 10 a.m. C.D.T. August 4, 1988, and then publicly opened:

DISTRICT ONE—Northeast

Shawnee—70-89 K-2445-01—I-70, from the east end of the Polk-Quincy viaduct in Topeka to the Kansas Turnpike Authority, 3.9 miles, pavement reconstruction. (Federal Funds)

Shawnee—70-89 K-3603-01—I-70, from the west junction of U.S. 75 (Wanamaker Road) and I-70 and from 10th Street north to I-70, grading and surfacing. (Federal Funds)

Proposals will be issued upon request to all prospective bidders who have been prequalified by the Kansas Department of Transportation on the basis of financial condition, available construction equipment, and experience. Also, a statement of unearned contracts (Form No. 284) must be filed. There will be no discrimination against anyone 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 bidapproval 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. 006788

State of Kansas

SECRETARY OF STATE

1988 SESSION LAWS AVAILABLE

The 1988 edition of the Session Laws of Kansas, which contains all new laws enacted by the 1988 Legislature, is available for purchase. The clothbound set sells for \$20, which includes shipping.

Send orders, with payment, to Secretary of State, 2nd Floor, State Capitol, Topeka 66612-1594. An order form is located on the inside back cover of this issue of the

Register.

Any questions should be directed to the Legislative Matters Division at (913) 296-4557.

> BILL GRAVES Secretary of State

State of Kansas SECRETARY OF STATE

NOTICE

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Bill Graves, Secretary of State of the State of Kansas, do hereby certify that pursuant to the provisions of K.S.A. 1987 Supp. 16-204, the rate of interest on judgments rendered by courts of the state of Kansas pursuant to the code of civil procedure shall be 10 percent during the period of July 1, 1988 through June 30, 1989.

In testimony whereof: I hereto set my hand and cause to be affixed my seal. Done at the City of Topeka, this

1st day of July, A.D. 1988.

BILL GRAVES Secretary of State

Doc. No. 006799

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 June 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

Aero Metal Forms, Inc., Wichita, KS. Ahoy Travel, Inc., Overland Parks, KS. Allied Insurance Agency, Inc., Overland Park, KS. Arehart-Barnds-Rains Sales, Inc., Overland Park, KS. B & J Aviation, Inc., Great Bend, KS. B-1 Club, Inc., Wichita, KS. Beauty Boutique, Inc., Shawnee Mission, KS. Boeding-Henry Oil Co., Inc., Seneca, KS. Bruce Silverberg, M.D., P.A., Overland Park, KS. Canaan Investments, Inc., Gardner, KS. The Capri Motel, Inc., Wichita, KS.

Cary-Built Homes, Inc., Prairie Village, KS. Casterline Irrigation of Dodge City, Inc., Dodge City, KS. The Center for Behavioral Development, Inc., Kansas City, KS. Charles W. Weber, C.P.A., P.A., Shawnee, KS. Computer Software Services, Inc., Wichita, KS. Consolidated Financial Management Corporation, Overland Park, KS. CPA Software, Inc., Hutchinson, KS. Creations by Laurenz, Inc., Lee's Summit, MO. Criss Optical Manufacturing Co., Inc., Augusta, KS. DMBB Enterprises, Inc., Emporia, KS. D.M.K., Inc., Elsmore, KS. Dennis Hodges Farm, Inc., Reading, KS. Ebnek, Inc., Wichita, KS. Emerald Enterprises, Inc., Lawrence, KS. EMS Mortgage Corporation, Atchison, KS. Enduro Industries, Inc., Overland Park, KS. Energy Oil & Gas, Inc., Rago, KS. Ethanol Associates, Inc., Wichita, KS. FJM Development, Inc., Gypsum, KS. Freeland Battery Co., Inc., Pittsburg, KS. Garlines, Inc., Topeka, KS. George W. Wood Associates, Inc., Wichita, KS. Graphics Planning Systems, Inc., Lawrence, KS. Great Bend Anesthesiologists, Chartered, Great Bend, KS. H and R Read, Inc., Emporia, KS. H. Ivor Jones, M.D., P.A., Overland Park, KS. Hinks Petroleum Co., Inc., Wichita, KS. Industrial Planners Group, Inc., Ozawkie, KS. J & S Sales, Inc., Great Bend, KS. J. G. Masonry Co., Inc., Kansas City, KS. Jackson's Sales, Inc., Great Bend, KS. Jet Vending, Inc., Liberal, KS. J I Inc., Independence, KS. John's Space Age Donuts, Inc., Overland Park, KS. Kuhn's Jewelers of Wichita, Inc., Wichita, KS. Lesco of Oklahoma, Inc., Wichita, KS. Littles' Candies, Inc., Prairie Village, KS. McCombs Properties VI, Ltd., Irvine, CA. McCombs Properties VII, Ltd., Irvine, CA. Merchant and Range Security Patrol, Inc., Pleasanton, KS. Midwest Commodity Trading Co., Inc., Shawnee Mission, KS. Midwest 2-Way Radio Service, Inc., Pratt, KS. Milk 'n More, Inc., Stilwell, KS. Monarch Petroleum, Inc., Chanute, KS. New Directions Theatre Company, Inc., Shawnee Mission, KS. Newco, Inc., Topeka, KS. Oil Investments, Ltd., Topeka, KS. Projects of America, Inc., Pittsburg, KS. The Prospector, Inc., Wichita, KS. R.E.K. Investment Co., Inc., Lawrence, KS. Rainbow Oil & Gas, Inc., Coffeyville, KS. Richard W. Cromwell Builder, Inc., Lawrence, KS. Roberson Lumber Co., Inc., Silver Lake, KS., S & H Construction, Inc., Carbondale, KS. S & W Marketing Corporation, Fort Smith, AR. Schallo Awning & Mfg. Co., Inc., Pittsburg, KS.

Smith Bonding Company, Overland Park, KS.
Snakeland Oil, Inc., Wichita, KS.
Southwest Insurance Agency, Inc., Ulysses, KS.
St. George Development Company, Inc., Manhattan, KS.

Sunflower Communications, Inc., El Dorado, KS.
Taco Grande of Springfield, Inc., Wichita, KS.
Thompson Electric Company, Inc., Wichita, KS.
Thrash & Sons, Inc., Hutchinson, KS.
Topeka Marble Products, Inc., Topeka, KS.
Tri-City Heating and Air Conditioning, Inc.,
Wichita, KS.

Triple D Farms, Inc., Lenora, KS.
Uniserve, Inc. of Kansas City, Fairway, KS.
Universal Management Corporation, Shawnee, KS.
Unlimited Communications Supply, Inc.,
Shawnee Mission, KS.

Vannel Trucking Company, Inc., Eureka, KS.
The Walnut Development Company, Pittsburg, KS.
Wayne Arms Company, Overland Park, KS.
Wm. Stevens, Inc., Riley, KS.
Wood Investment Insurance, Inc., Russell, KS.

Foreign Corporations

All Pro Cattle Company, Inc., Boston, MA.
Bestin Homes, Inc., Englewood, CO.
Chase Gathering Systems, Inc., Tulsa, OK.
Cimarron Oil Company, Inc., Santa Monica, CA.
Data/Wares, Incorporated, Kansas City, KS.
Elenburg Exploration Company, Inc.,
Wichita Falls, TX.

Foresight Resources Corp., Overland Park, KS.
Goal Management Incorporated, San Diego, CA.
Hamill & Cardell, Inc., Kansas City, MO.
Judd Valve Company, Inc., Decatur, IL.
Lyons Communication Service, Inc., Kansas City, MO.
Martin-Brower Company, San Mateo, CA.
MCI Telecommunications Corporation, St. Louis, MO.
Mo/Kita Distributing Company, Inc., Glen Allen, MO.
National Advanced Systems Corporation, Mountain
View, CA.

Nationwide Legal Services, Inc., Hartsdale, NY. NPF Energy Corporation, Santa Ana, CA. Rollins, Inc., Atlanta, GA. Silverridge Corporation, Oklahoma City, OK. Sperry New Holland Credit Corporation,

Wilmington, DE.
Triangle Electric Company, Madison Heights, MI.
Walden and Applegate, Inc., Denver, CO.
Wyatt Distributing Co., Warrenton, MO.

BILL GRAVES Secretary of State

Doc. No. 006800

State of Kansas GRAIN INSPECTION DEPARTMENT

NOTICE OF MEETING

The Kansas State Grain Inspection Department will conduct its quarterly Grain Advisory Board meeting at 10 a.m. Friday, July 22, at the Salina Country Club. The meeting is open to the public.

T. D. WILSON Director

Doc. No. 006805

State of Kansas STATE CONSERVATION COMMISSION

NOTICE TO CONTRACTORS

Sealed bids for the construction of a 43,000 cubic yard detention dam, Site 17-16 in Brown County, will be received by the Nemaha-Brown Watershed Joint District No. 7 at the district office, 125 W. 4th, Holton 66436, until 10 a.m. on July 28, and then opened. A copy of the invitation for bids and the plans and specifications can be obtained from the district office, (913) 364-4309.

KENNETH F. KERN Executive Director

Doc. No. 006797

State of Kansas DEPARTMENT OF WILDLIFE AND PARKS

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be held at 7 p.m. Monday, August 15, in the South Heritage Ballroom, Holiday Inn Convention Center, 3017 W. 10th, Great Bend, to consider the approval, amendment and approval, or rejection of proposed temporary and permanent regulations of the department.

The 30-day notice period prior to the hearing constitutes a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments to the Assistant Secretary, Operations Office, Route 2, Box 54A, Pratt 67124-9599. All interested parties will be provided reasonable opportunity at the hearing to express their views, orally or in writing, or both, regarding the proposed regulations. Following the hearing, all written and oral comments submitted by interested parties will be considered by the commission as a basis for approving, amending and approving, or rejecting the proposed regulations.

The following are summaries of the proposed regulations and the economic impact statements:

K.A.R. 23-2-14. Antelope and deer; season restrictions. This permanent regulation is proposed for amendment on a temporary and permanent basis. The amendments would allow persons to receive more than one deer permit under specified conditions; describe legal muzzleloading

equipment; and delete the current provision establishing priority for persons not receiving a deer permit for a four-year period.

Economic Impact Summary (for both temporary and permanent regulations): It is estimated the department would issue an additional 5,000 deer hunting permits, thus generating \$107,000 in revenue. Certain businesses may benefit with more sportsmen hunting deer. Revenue to the department represents a cost to sportsmen; however, such cost is voluntary for sportsmen.

K.A.R. 23-3-13. Taking of bait fish or minnows. This permanent regulation is proposed for amendment to relax certain restrictions on noncommercial taking of bait fishes on state lakes. It would be legal to take bait fish on state lakes except by seining. Reference to restrictions imposed in K.A.R. 23-8-2 is deleted.

Economic Impact Summary: The proposed amendments would have insignificant economic impact on this department, other governmental agencies, businesses, anglers or the general public.

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

K.A.R. 23-5-2. Special surety bond authorized. This temporary regulation authorizes the availability of a special surety bond for vendor agents selling licenses, stamps and permits issued by the department. This regulation will also be considered for permanent status.

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

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

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

K.A.R. 23-5-6. Authorized amount of special surety bond. This temporary regulation establishes the amount for which a special surety bond may be issued by the department. This regulation will also be considered for permanent status.

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

K.A.R. 23-5-8. Grounds for termination of a special

surety bond. This temporary regulation delineates the criteria for revoking a special surety bond issued to a vendor agent by the department. This regulation will also be considered for permanent status.

Economic Impact Summary (for both temporary and permanent regulations): The economic impact statement and this summary are prepared collectively for K.A.R. 23-5-1 through K.A.R. 23-5-8. An estimated \$22,880.00 will be received annually by the department from businesses purchasing bonds. However, this cost is less than would be required through other commercial bonding sources. Revenues received are used to administer the program. No impact will occur on other governmental agencies; purchasers of licenses, stamps or permits; or the general public.

K.A.R. 23-7-7. Furdealers; license; application; authority; possession of furs; records; revocation. This permanent regulation is proposed for amendment on a temporary and permanent basis. It will place in permanent regulation the identical provisions adopted by temporary regulation in April 1988, which defined transactions and required submission of furdealer record books to the department by April 1 instead of July 1.

Economic Impact Summary (for both temporary and permanent regulations): The proposed amendments would have no economic impact on this department, other governmental agencies, businesses, furdealers, furharvesters or the general public.

K.A.R. 23-8-2. Certain acts prohibited in wildlife areas. This permanent regulation is proposed for amendment. It deletes the restrictions against taking of bait minnows from wildlife areas. This clarification means that noncommercial taking of bait fishes would be as provided for under K.A.R. 23-3-13.

Economic Impact Summary: The proposed amendment would have no economic impact on this department, other governmental agencies, businesses, anglers or the general public.

K.A.R. 23-1-9. Camping. This permanent regulation is proposed for amendment. Restrictions against camping stays of over 14 days in any one state park would remain in place. The amendment would establish a procedure whereby stays could exceed 14 days in certain underutilized camping areas.

Economic Impact Summary: The proposed amendment will have insignificant economic impact on this agency, other governmental agencies, businesses, campers, and the general public.

Copies of the full text of the proposed regulations and amendments and the economic impact statements may be obtained by writing to the assistant secretary at the address above.

> GERALD W. TOMANEK Chairman

Doc. No. 006803

State of Kansas

SOCIAL AND REHABILITATION SERVICES DIVISION OF SERVICES FOR THE BLIND ADVISORY COMMITTEE

NOTICE OF MEETING

The Division of Services for the Blind Advisory Committee will meet at 10 a.m. Friday, July 29, in the Rehabilitation Center for the Blind conference room, 2516 W. 6th, Topeka.

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

Doc. No. 006801

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 S.W. Jackson, Room 102, Topeka, until 2 p.m. C.D.T. on the date indicated, and then will be publicly opened. Interested bidders may call (913) 296-2377 for additional information.

Monday, July 18, 1988

#75152

University of Kansas—INNERSPRING ATTRESSES

Monday, July 25, 1988

#27841

Various state agencies—CHINA

#75093

Pittsburg State University—SATELLITE DEMODULATOR

#75125

Hutchinson Correctional Work Facility—VEHICLES

Tuesday, July 26, 1988

#27302-Supplement

University of Kansas—DAIRY PRODUCTS

#27503

Various state agencies—GRAPHIC ARTS FILM AND SUPPLIES

#75101

University of Kansas Medical Center—HPLC COMPONENTS

#75105

Kansas State Penitentiary—X-RAY SYSTEM

Wednesday, July 27, 1988

#26694

Department of Transportation—PHOTOLOG FILM PROCESSING AND DUPLICATING

#27557

Kansas State University—AUGUST (1988) MEAT RODUCTS

#27843

Board of Agriculture-INDIRECT COST ALLOCATION PLAN

#75108

University of Kansas Medical Center—DIAGNOSTIC ULTRASOUND SYSTEM

#75114

Kansas State University—TRACTOR/LOADER/ **BACKHOE**

#75115

Kansas State University—SCHOOL CHAIRS

Thursday, July 28, 1988

#27241

Statewide—CALCIUM CHLORIDE FOR ICE AND SNOW REMOVAL

#27690

University of Kansas Medical Center—PHARMACY LABELS

Friday, July 29, 1988

#27257

Kansas State University—SAND AND READY MIX CONCRETE

Tuesday, August 2, 1988

#A-5933

Fort Hays State University—MEMORIAL UNION REPAIRS—PHASE II

> NICHOLAS B. ROACH Director of Purchases

Doc. No. 006808

State of Kansas

SECRETARY OF STATE

EXECUTIVE APPOINTMENTS

Executive appointments made by the Governor, and in some cases by other state officials, are filed with the Secretary of State's office.

Complete listings of state agencies, boards and commissions are included in the Kansas Directory. County officials are listed in the Directory of County Officers. Both directories are published by the Secretary of State's office and are available free of charge.

The following appointments were filed April 18 through

May 31:

District Judge, 22nd Judicial District, Position 2

Jesse D. Euler, 712 N. 7th, Wathena 66090. Effective May 23, 1988. Term expires when a successor is elected and qualifies according to law. Succeeds Robert Gernon, resigned.

Elk County Commissioner, 2nd District

Frederick W. Smith, Route 2, Box 206, Howard 67349. Effective May 25, 1988. Term expires when a successor is elected and qualifies according to law. Succeeds George L. Winn, deceased.

Harper County Sheriff

Terry G. Bane, Route 2, Box 145, Attica 67009. Effective May 18, 1988. Term expires when a successor is

elected and qualifies according to law. Succeeds Jeff Newsum, resigned.

Norton County Sheriff

Richard Snyder, Route 3, Norton 67654. Effective May 13, 1988. Term expires when a successor is elected and qualifies according to law. Succeeds Myron Cochran, resigned.

Finney County Treasurer

Gerald L. Heit, 2822 Kris Place, Garden City 67846. Effective April 18, 1988. Term expires when a successor is elected and qualifies according to law. Succeeds Donna Bradford.

All-Sports Hall of Fame Board of Trustees

Max Falkenstein, 2116 Greenbrier, Lawrence 66046. Effective April 20, 1988. Term expires April 30, 1992.

James W. Hershberger, 851 Tara Lane, Wichita 67206. Effective April 20, 1988. Term expires April 30, 1990.

Charles A. Lower, 2715 S.E. Downing Road, Topeka 66605. Effective April 20, 1988. Term expires April 30, 1990.

Dev Nelson, 2504 Winne Drive, Manhattan 66502. Effective April 20, 1988. Expires April 30, 1992.

Wilfred "Willie" Nicklin, 5510 S.W. 10th, Topeka 66604. Effective April 20, 1988. Term expires April 30, 1991.

Fred White, 8741 Norwood Drive, Leawood 66206. Effective April 20, 1988. Term expires April 30, 1992.

Rep. Bill Wisdom, 1915 S. 29th Court, Kansas City 66106. Effective April 20, 1988. Term expires April 30, 1991.

State Banking Board

Dean W. Fahrbach, 309 N. Reno, Haven 67543. Effective May 1, 1988. Subject to Senate confirmation. Term expires April 30, 1991. Reappointment.

State Building Advisory Commission

Carl G. Ossmann, 1260 Randolph, Topeka 66604. Effective May 4, 1988. Term expires April 30, 1992. Succeeds Donald L. Smith.

Governor's Commission on Children and Families (Created by Governor's Executive Order No. 88-109. Terms effective May 23, 1988. Members serve at the pleasure of the Governor.)

Marjorie P. Allen, 23 Lemans Court, Shawnee Mission 66208

Grant Cushinberry, 1919 Fillmore, Topeka 66604.
Nancy Winter Floyd, P.O. Box 336, Sedan 67361.
Judy Frick, 424 N. Longford Court, Wichita 67206.
Beverly Gaines, P.O. Box 219, El Dorado 67010.
Carl F. Gump, 19 Circle Drive, Paola 66071.
David Haley, 936 Cleveland, Kansas City 66101.
Rep. Elaine Hassler, Box 220, Abilene 67410.
Patti Hayden, Cedar Crest, Topeka 66606.
Walter Hiersteiner, 6142 Reinbordt, Shauman Minimus

Walter Hiersteiner, 6142 Reinhardt, Shawnee Mission 66205.

Sharon Hixon, 665 W. 4th, Colby 67701.

Nancy Meacham, 1722 Gatewood, Wichita 67206. Rosemary Menninger, 1819 Westwood Circle, Topeka 66604.

Lisa Donnini Miller, Route 1, Wellington 67152.

Maurice Penner, 400 W. Central, #2006, Wichita 67203.

Kathy Ramsour, 2908 Toalson, Dodge City 67801. Ninia Smith, 3706 Canal, Hays 67601. John Wine, Jr., 212 Woodlawn, Topeka 66606. Winton A. Winter, Box 8, Ottawa 66067.

Coordinating Council for Criminal Justice (Established by Governor's Executive Order No. 88-108.)

Sen. Dave Kerr, 6 Golf Green Drive, Hutchinson 67502. Effective March 21, 1988. Term expires January 9, 1989.

Dealer Review Board

Gilbert W. Broxterman, 1706 Arrowhead Road, Topeka 66604. Effective May 23, 1988. Term expires June 30, 1991. Succeeds C. W. "Pete" Klein, resigned.

John A. "Jack" Cassell, 331 Shefford, Wichita 67212. Effective May 23, 1988. Term expires June 30, 1991. Succeeds Carol Coatney, resigned.

Glenn E. Frye, Box 45, Haddam 66944. Effective July 1, 1988. Term expires June 30, 1991. Reappointment.

Ronald G. Collins, 104 W. 22nd, Hutchinson 67502. Effective May 23, 1988. Term expires June 30, 1992. Reappointment.

State Fire Marshal

John Alex Earhart, Route 1, Box 323, Osage City 66523. Effective June 18, 1988. Serves at the pleasure of the Governor. Subject to Senate confirmation. Succeeds Edward C. Redmon, resigned.

Governor's Task Force on the Future of Rural Communities

Sue Greenleaf, Route 1, Box 114, Greensburg 67054. Effective May 3, 1988. Serves at the pleasure of the Governor. Succeeds John Blythe, resigned.

Charles R. Warren, President, Kansas, Inc., 400 W. 8th, Topeka 66612. Effective May 3, 1988. Serves at the pleasure of the Governor.

Juvenile Justice State Advisory Group

Murl Thomas Bringle, 603 Union St., Oswego 67356. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Glorine Shelton.

John Matthew Cates, 1525 W. 15th, Apt. 1, Topeka 66604. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Scott Swenson.

Rep. Dorothy H. Flottman, 815 E. 9th, Winfield 67156. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Rep. Donna Whiteman.

Bonita L. Garrett, 1912 Indian Woods Lane, Topeka 66611. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Sen. Joe Norvell.

Lois Jebo, 3447-C Burlingame, Topeka 66611. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Terry Showalter.

Angela M. Rinaldo, Deputy Secretary of Programs, Department of Corrections, Landon State Office Building, Topeka 66612. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Jean Shepherd.

William K. Rork, 3313 S.W. Hodges Road, Topeka 66614. Effective May 24, 1988. Serves at the pleasure of

the Governor.

Sen. Alicia M. Salisbury, 1455 S.W. Lakeside Drive, Topeka 66604. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Lee Speer.

Charles J. Sell, Route 1, Box 10, Altamont 67330. Effective April 13, 1988. Serves at the pleasure of the Gov-

ernor. Succeeds Steve Blount.

Owen L. Sully, 361 City Park Drive, Kansas City 66102. Effective April 13, 1988. Serves at the pleasure of the Governor. Succeeds Terry Campbell.

Advisory Commission on Juvenile Offender Programs

Angela M. Rinaldo, Deputy Secretary of Programs, Department of Corrections, Landon State Office Building, Topeka 66612. Effective April 13, 1988. Term expires June 30, 1989. Succeeds Sally Cullerton.

Owen L. Sully, 361 City Park Drive, Kansas City 66102. Effective April 13, 1988. Term expires June 30,

1989. Succeeds Terry Campbell.

Kansas Public Disclosure Commission

Don Paxon, 5875 S.W. 29th, Topeka 66614. Effective April 26, 1988. Term expires January 31, 1990. Reappointed by the House Minority Leader.

Kansas Public Employees Retirement System Board of Trustees

Donald D. Barry, 420 S.W. Whitehall, Topeka 66614. Effective May 1, 1988. Subject to Senate confirmation. Term Expires April 30, 1992. Succeeds Harold Goodman.

Eliehue Brunson, 1903 N. 80th, Kansas City 66112. Effective May 1, 1988. Subject to Senate confirmation. Term expires April 30, 1991. Succeeds Larry Jones, resigned.

Neva E. Entrikin, 1737 Mississippi, Lawrence 66044. Effective May 1, 1988. Subject to Senate confirmation.

Term expires April 30, 1992. Reappointment.

Kansas Turnpike Authority

Philip Lee Woodbury, 804 Sheridan, Emporia 66801. Effective June 1, 1988. Term expires May 30, 1991. Succeeds Nick Badwey.

BILL GRAVES Secretary of State

State of Kansas GRAIN INSPECTION DEPARTMENT

TEMPORARY ADMINISTRATIVE REGULATIONS

Article 4.—FEES AND CHARGES

25-4-1. Fees. (a) Definitions.

(1) "Regular hours" means 7:00 a.m. to 4:30 p.m., Monday through Friday. Regular hours for samplers may be adjusted to the elevator's hours of operation not to exceed eight hours per day.

(2) "Overtime" means work performed during any hours other than the regular hours defined in para-

graph (1) of this subsection.

(3) "Travel time" means time spent in roundtrip travel from portal to portal. If an employee performs inspections at several locations on one trip, travel time may be prorated.

(4) Holidays include New Year's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day and Martin Luther

King Day.

(5) "Call in" and "call back" means any work performed for which the employee is called in to work on a regular day off or called back to work after a regular work schedule.

(b) This revised schedule supersedes all other

schedules issued by this agency.

The following fees shall be charged for the services rendered by this department under the U. S. grain standards act (as amended):

Official Inspection, includes grading and sampling EXCEPT WHERE INDICATED (FGIS users' fees not included)

	FEE
Hopper car	\$12.00/per
	inspection
	or reinspection
Extra sample secured at time of original	4.50/per
	request
New sample secured after original	6.00/per
	request
Truck or trailer	7.00/per
	inspection
	or reinspection
Extra sample secured at time of original	3.50/per request
Bin inspection	6.00/per
	bin plus
	sampler regular
	hourly rate
Submitted sample inspection	5.00/per
	sample
DHV Count	3.00
Warehouseman sample-lot inspection	7.00/per
Transfer and a second	sample
Diverter-type(D/T) sample at points outside	-
inspection point switching limits	7.00/plus
mppotator posterior	sampler
	regular hourly rate
an	d travel time hourly
·	rate plus mileage
Barge inspection or reinspection	2.50/per
Darge inspection of remspection	1,000 bushels
\mathcal{L}_{ij}	or fraction thereof
All reinspections of above carriers based on	
file sample	5.00
me samble	0.00

Initial checktest, approval of country point diverter-type (D/T) samplers, and train	
elevator sampler	50.00/per
	D/T sampler
	plus regular hourly
	and travel time rate
	plus mileage
Diverter-type (D/T) review checktest visits at	prus inneage
country points	regular hourly
	rate plus mileage
Checktesting diverter-type (D/T) samplers at	rate plus iinicage
inspection points	regular hourly
	rate (1 hour
	minimum charge)
Protein, initial or reinspection	3.25
Factor-only determination, one factor	3.00
Factor-only determination, 2 or more factors,	3.00
per factor (not to exceed full grade fee)	2.00
Approved statements requested in addition	2.00
to grade requirements	2.50
Duplicate certificate	1.50
Stowage examination, hopper or boxcar	3.00/per
The state of the s	request
Stowage examination, barge	6.00/per
o and a second	request
Report grades by telephone	CALL COLLECT
(c) Miscellaneous fees.	

(1) The regular hourly rate shall be \$13.50. The number of regular hours shall be calculated in 1/4hour increments.

(2) The overtime hourly rate shall be \$13.50 per hour. The number of overtime hours shall be calculated in 1/4-hour increments. For those inspections for which the fee is based on a per unit charge, the overtime hourly rate shall be applied in addition to that per unit fee. For those inspections for which fees are based on an hourly rate, the overtime hourly rate shall not be imposed in addition to the regular hourly

(3) The holiday hourly rate shall be \$13.50 per hour. The number of holiday hours shall be calculated in 1/4-hour increments. For those inspections for which fees are based on a per unit charge, the holiday hourly rate shall be applied in addition to that per unit fee. For inspections for which fees are based on an hourly rate, the holiday rate shall not be applied in addition to the regular hourly rate.

(4) If an employee is called in or called back, a minimum of two hours at the overtime hourly rate

shall be charged.

(5) Travel time. The travel time rate shall be \$13.50

per hour.

(6) Mileage expenses shall be a charge per mile driven, at the rate per mile determined by the secretary of administration pursuant to K.S.A. 75-4607 or amendments thereto. If any employee performs inspections at several locations on one trip, the mileage expenses may be prorated.

(d) The following fees shall be charged for the services rendered by this department which are not under the U. S. grain standards act (as amended):

Edible Bean Inspection Service

Edible bean inspection (official warehouse	
lot)	16.00/per
Edible bean inspection (official car sample)	certificate 16.00/ per
Edible bean inspection (official truck	certificate
sample)	11.00/per certificate

,	
Edible bean inspection (submitted sample)	8.00/per certificate
Edible bean inspection sampling fee, check weighing, or check loading	ATT CONTRACTOR
Weights	13.50/per hour
Hopper car, boxcar or direct transfer, per	
class I weight, 100% supervision (minimum of 2 cars weighed per hour or hourly charges apply on top of weighing charge)	
	6.00/per certificate
Hopper car, boxcar or direct transfer per class II weight, 25% supervision	4.00/per
	certificate
Barges, in or out	2.25/per 1,000
	bushels or
Truck or trailer	fraction thereof 6.00
House transfers	1.50/per
	1,000 bushels or fraction
	thereof
Weigh-up, annual	1.00/per 1,000 bushels or fraction thereof
In-weighing, sacked cars Out-weighing, sacked cars, with count Out-weighing, sacked cars, with count and weight each sack	regular hourly rate regular hourly rate regular hourly rate
Miscellaneous Services	
DHV count	3.00 125.00
Hopper scale, each additional test at elevator	100.00/per scale
Hopper scale per F.G.I.S. test	125.00/plus regular
	hourly rate
· · · · · · · · · · · · · · · · · · ·	on site
Hopper scale at points where certified	
weights are not issued	125.00/plu
	mileage and
Mileage charge for special trips by the hop-	subsistence
per testing scale truck,	.55/per mile
Labor of scale inspector for repair work out-	driven
side regular inspecting or adjusting of	
scale	13.50/per hour
Charge for weigher, by special arrangement.	10.00/Det Hont
per weigher	13.50/per hour

(Authorized by K.S.A. 34-103a, 34-2,100, implementing K.S.A. 34-103a, as amended by 1988 S.B. 666, Sec. 1; 34-251, 34-2,108, effective Jan. 1, 1966; amended Jan. 1, 1967; amended, E-68-7, Feb. 20, 1968; amended Jan. 1, 1969; amended, E-69-7, May 28, 1969; amended Jan. 1, 1970; amended, E-71-26, June 18, 1971; amended Jan. 1, 1972; amended, E-72-8, Feb. 26, 1972; amended Jan. 1, 1973; amended, E-74-27, June 26, 1974; amended, E-74-61, Sept. 30, 1974; amended May 1, 1975; amended, E-78-10, March 24, 1977; modified, L. 1978, ch. 448, May 1, 1978; modified, L. 1980, ch. 345, May 1, 1980; amended May 1, 1981; amended May 1, 1982; amended, T-83-20, July 21, 1982; amended May 1, 1983; amended May 1, 1984; amended May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended, T-88-16, July 26, 1987; amended May 1, 1988; amended, T-25-6-13-88.)

> THOMAS D. WILSON Directo

Doc. No. 006781

State of Kansas SOCIAL AND REHABILITATION SERVICES

TEMPORARY ADMINISTRATIVE REGULATIONS

Article 4.—PUBLIC ASSISTANCE PROGRAM

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, if 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) children whose needs are met through ADC

foster care payments; and

(5) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions. (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, Dec. 16, 1987; amended May 1, 1988; amended, T-30-7-1-88.)

30-4-80. Eligibility factors specific to the ADC-FC program. Each child, as defined in K.A.R. 30-4-72, shall meet the eligibility requirements set forth below. In addition, the child of an ADC-FC recipient shall be deemed to meet the eligibility requirements of the ADC-FC program if the recipient and the child are living together in the same foster care living arrangement. (a) General eligibility requirements. Each child shall meet the general eligibility requirements of K.A.R. 30-4-50 except that the provisions of K.A.R. 30-4-54(b) shall not be applicable to a child who has been granted temporary or permanent residence under the provisions of P.L. 99-603, the Immigration Reform and Control Act of 1986.

(b) Removed from the home of a relative. The child shall have been removed from the home of a relative,

as a result of a judicial determination, or the child shall have lived with the relative within six months before the month in which the proceedings were initiated and shall have been placed in a foster home or child care facility as a result of this determination.

(b) Receiving ADC. The child shall have received assistance under ADC in or for the month in which court proceedings leading to the determination to remove the child from the relative's home were initiated, or shall have been eligible for assistance if application had been made. An otherwise eligible child who meets the temporary or permanent residence provisions of P.L. 99-603 shall not be denied assistance under this provision.

(d) Court order. A written order of commitment shall be issued giving the secretary care, custody, and

control of the child.

(e) Case plan. The child shall have a case plan designed to achieve placement in the least restrictive setting available and in close proximity to the parents' home. The case plan shall be consistent with the best

interest and special needs of the child.

(f) Administrative review. The child's status shall be reviewed periodically but not less than once every six months. The review shall be open to the participation of the parents of the child. The review shall be conducted by a panel of appropriate persons; the panel shall include at least one person who is not responsible for the case management of either the child or the parents under review. The administrative review shall determine the future status of the child including whether the child should be returned to the parent, continued in foster care for a specified period, placed for adoption, or continued in foster care on a permanent or long-term basis.

(g) Living arrangement. The child shall be living in a foster family home or a private nonprofit child care facility. The home or facility shall be approved for placement. (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-83-17, July 1, 1982; amended May 1, 1983; amended, T-88-10, May 1, 1987; amended May 1, 1988;

amended T-30-7-1-88.)

30-4-101. Standards for persons in own home, other family home, specialized living, commercial board and room, or commercial room-only living arrangements. A monetary standard addresses the costs of day to day expenses and certain special expenditures. (a) Basic standard. The basic standards shall be those set forth below. The basic standards include \$18.00 per person as an energy supplement.

PERSONS IN PLAN

1	2	3	4
\$131.00	\$215.00	\$292.00	\$359.00

For each additional person, add \$61.00.

(b) Shelter standard. A standard has been established for shelter based on location in the state. The county shelter standards shall be those set forth below.

Standard.	Group I \$76.00	Group II \$86.00		
	Allen	Anderson	Logan	
	Barber	Atchison	Lvon	
	Bourbon	Barton	Marshall	
	Chase	Brown	McPherson	
	Chautauqua	Cheyenne	Miami	
	Cherokee	Clark	Mitchell	
	Comanche	Clay	Morris	
	Cowley	Cloud	Nemaha	
: '	Crawford	Coffey	Ness	
	Edwards	Decatur	Norton	
	Elk	Dickinson	Osborne	
	Finney	Doniphan	Ottawa	
	Greenwood	Ellis	Phillips	
4	Harper	Ellsworth	Pottawatomie	
	Labette	Ford	Rawlins	
	Marion	Geary	Republic	
	Meade	Gove	Rice	
	Montgomery	Graham	Rooks	
	Neosho	Grant	Rush	
	Pratt	Greeley	Russell	
	Reno	Hamilton	Saline	
	Stafford	Haskell	Scott	
,	Stanton	Hodgeman	Sheridan	
	Sumner	Iackson	Smith	
•	Wilson	lewell	Stevens	
	Woodson	Kearny	Thomas	
		Kingman	Trego	
	1.00	Lane	Wabaunsee	
		Lincoln	Wallace	
		Linn	Washington	
			Wichita	
			Wichita	
	Group III	Group IV	Group V	
Standard.	\$97.00	\$109.00	\$135.00	
	Franklin	Butler	Harvey	
	Gray	Douglas	Johnson	
	Kiowa	Jefferson	Jonnson	
	Morton	Leavenworth		
	Pawnee	Osage		
^	Seward	Riley		
	Sherman	Sedgwick		
	~	Shawnee	-	
*				
		Wyandotte	•	

(Authorized by K.S.A. 39-708c; 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-85-19, July 1, 1984; amended May 1, 1985; amended, T-86-19, July 1, 1985; amended, T-86-42, Jan. 1, 1986; amended May 1, 1986; amended May 1, 1986; amended, T-88-2, Feb. 1, 1987; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended May 1, 1987; amended, T-88-14, July 1, 1987; amended May 1, 1988; amended, T-30-7-1-88.)

30-4-102. Standards for children in foster care. The standards below shall be used for children in foster care. (a) The cost of care for any child placed in a care facility other than a foster family home shall be as established by the secretary.

(b) The foster care standard shall be used in ADC and GAU only if an approved service plan is on file which documents that the child is temporarily absent from the home because of illness of another member of the household or incarceration of the caretaker.

(c) The residential standard shall be used only if an approved service plan is on file which documents that the child is temporarily absent from the home because of basic education or training, if the training results in gainful employment.

Standards for Foster Family Care

 Infant through 4 years
 \$195.00
 \$ 6.41

 5 through 11 years
 \$264.00
 \$ 8.68

 12 years and older
 \$334.00
 \$11.00

(d) The foster care standards shall also be used to meet the maintenance needs of a child of an ADC-FC recipient if the recipient and the child are living together in the same foster care living arrangement. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended May 1, 1982; amended, T-83-17, July 1, 1982; amended, T-84-8, April 1, 1983; amended, T-84-9, May 1, 1983; amended, T-84-11, July 1, 1983; amended May 1, 1984; amended, T-85-19, July 1, 1984; amended May 1, 1985; amended, T-86-19, July 1, 1985; amended, T-86-42, Dec. 18, 1985; amended May 1, 1986; amended, T-87-44, Jan. 1, 1987; amended, T-88-10, May 1, 1987; amended, T-88-14, July 1, 1987; amended May 1, 1987; amended, T-30-7-1-88.)

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 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. 30-4-74(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 indi-

vidual 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 (e), (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.

(m) Despite subsection (e) above, the income of an alien who is a sibling 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 not be considered.

(n) Despite subsection (e) above, the resources of a

child whose needs are met through foster care payments shall not be considered. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; 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 May 1, 1986; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988; amended May 1, 1988; amended, T-89-13, April 26, 1988; T-30-7-1-88.)

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, K.A.R. 30-6-77 for poverty level pregnant women and young children, and K.A.R. 30-6-79 for non-ADC. 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 failure to comply 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.

(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 follow-

ing 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. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; effective May 1, 1981; amended, E-82-19, Oct. 21, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended May 1, 1983; amended May 1, 1985; 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, Dec. 16, 1987; amended May 1, 1988; amended, T-30-7-1-88.)

30-6-53. Financial eligibility. The following provisions are applicable to all determined eligible groups, except that sections (c) and (d) of this regulation shall not be applicable to pregnant women and young children who meet the provisions of K.A.R. 30-6-77. (a) Definitions.

(1) "Eligibility base period" means the length of time used in the determination of financial eligibility. The length of the eligibility base period varies from one month to six months, based on the living arrange-

ment of the persons in the assistance plan.

(2) "Spenddown" means the amount of applicable income that exceeds the protected income level in the eligibility base period and that is available to meet medical costs.

- (b) Establishing the eligibility base period. For prior eligibility, the base period shall be the three months immediately preceding the month of application. The application base period shall begin on the first day of the month in which the application was received. Subsequent eligibility base periods for recipients shall begin on the first day of the month following the expiration of the previous base period. Any reapplication received outside of a previously established eligibility base shall be treated as a new application without regard to any previous eligibility base. However, if the reapplication includes a request for prior eligibility, the base period of prior eligibility shall not extend into a previously established base. The eligibility base period shall not exceed six months.
- (c) Establishing financial eligibility. Total applicable income to be considered in the eligibility base

period shall be compared against the protected income level for the base period. If the total applicable income is less than the protected income level and the individual owns property within the allowable limits, the individual shall be financially eligible for medical assistance. If total applicable income exceeds the protected income level and the individual owns property within the allowable limits, the excess applicable income shall be the spenddown amount.

Each applicant or recipient shall incur, during the eligibility base period, allowable medical expenses in an amount at least equal to the spenddown before becoming eligible for assistance. Medical expenses paid either voluntarily or involuntarily by third parties shall not be utilized to meet the spenddown. A previously unconsidered increase in total applicable income during the current eligibility base period which results in additional spenddown shall not alter the base period. The additional spenddown shall be met by the individual during the eligibility base period before becoming eligible or re-eligible for medical assistance. Payments made through the program within the current eligibility base period shall not be considered as overpayments if a previously eligible individual fails to meet the additional spenddown within the current eligibility base period.

(d) Allowable expenses. The following expenses shall be allowable against the spenddown when the individual provides evidence that the individual has incurred or reasonably expects to incur the expenses within the appropriate eligibility base period:

(1) Co-pay requirements;

(2) the pro rata portion of medical insurance premiums for the number of months covered in the eligibility base period regardless of the actual date of payment, past or future;

(3) medicare premiums which are not covered by buy-in. Premiums which are subject to buy-in shall not be allowable, even if the individual pays them (or if the premiums are withheld) before completion of

the buy-in process:

(4) if medically necessary, and recognized under Kansas law, all expenses for medical services incurred by the individual or a legally responsible family group member. Expenses for social services designated as medical services under the home and community-based services (HCBS) program shall be allowable under this paragraph. Charges for long term care in an approved facility shall be allowable only up to the agency rate; and

(5) the cost of necessary transportation by appropriate mode to obtain medical services set forth in paragraph (4) above. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; effective May 1, 1981; amended, E-82-11, June 17, 1981; amended May 1, 1982; amended May 1, 1983; amended May 1, 1984; amended May 1, 1987; amended, T-30-7-1-88.)

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 included in determining eligibility of the ADC child. Such parents and siblings shall 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) children whose needs are met through ADC

foster care payments; and

- (5) aliens who are ineligible because of the citizenship and alienage requirements or sponsorship provisions. (Authorized by and implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; 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, Dec. 16, 1987; amended May 1, 1988; amended, T-30-7-1-88.)
- **30-6-77.** Poverty level pregnant women and young children; 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. (a) Pregnant woman. Each eligible woman shall be medically determined to be pregnant. Assistance under this provision shall continue for two calendar months following the month in which the pregnancy terminates.

(b) Young child. Each eligible child shall be under two years of age. Assistance under this provision shall continue through the month in which the child turns age two, or if receiving inpatient services in the month in which the child turns age two, eligibility shall continue through the calendar month in which that inpatient care ends provided that the care will not exceed the two calendar months following the month of entrance. If the inpatient care will exceed that time period, eligibility for the child under this provision shall end on the last day of the calendar month in which the child turns age two.

(c) Persons whose needs are to be considered in

determining eligibility.

(1) For pregnant women, the needs of the pregnant woman, the unborn child and the father of the unborn child shall be considered if living together. If the pregnant woman is a minor, the needs of her parents shall also be included if living together.

(2) For young children, the needs of the child and

the child's parents shall be considered if living to-

(3) Other pregnant women and young children in the family group for whom assistance is requested shall be included in the assistance plan if otherwise

eligible

- (d) Financial eligibility. One hundred percent of the official federal nonfarm poverty level shall be used as the protected income level for the number of persons in the plan and any other persons in the family whose income is being considered. Total applicable income to be considered in the eligibility base period shall be compared against the poverty level for the base period. To be eligible under this provision, the total applicable income shall not exceed the poverty level established for the base period. Ownership of excess nonexempt real or personal property shall not result in ineligibility. (Authorized by K.S.A. 39-708c; implementing K.S.A. 39-708c and 39-709, as amended by 1988 SB 264; effective, T-30-7-1-88.)
- 30-6-78. Medicaid (title XIX) determined eligibles—eligibility factors specific to aid to pregnant women (APW). Each applicant or recipient shall meet the general eligibility requirements of K.A.R. 30-6-50 and the requirements set forth below.

(1) Each woman shall not be eligible for medical assistance under the provisions of K.A.R. 30-6-77.

(2) Each woman shall be medically determined to

be pregnant.

- (3) Financial eligibility shall be determined for each month as if the child was born and living with the mother.
- (b) Assistance under this provision shall continue for two calendar months following the month in which the pregnancy terminates. (Authorized by and implementing K.S.A. 39-708c; effective May 1, 1983; amended May 1, 1986; amended, T-87-15, July 1, 1986; amended May 1, 1987; amended May 1, 1988; amended, T-30-7-1-88.)

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 recipi-

(A) Enters a medicaid-approved facility;

(B) is absent from the home for medical care for a 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) Except as provided in paragraph (4) below, 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

\$354.00

\$466.00

\$480.00

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.

(4) In determining eligibility for pregnant women and for young children under the provisions of K.A.R. 30-6-77, 100% of the official federal nonfarm poverty level shall be used as the protected income level.

(b) Institutional living arrangements. For persons residing in institutional settings, the protected income level shall be \$30.00 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. (Authorized by and implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; 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, Dec. 16, 1987; amended May 1, 1988; amended, T-30-7-1-88.)
- **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, recipient or the applicant or recipient's 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 everying any dis-

(B) the trustees are permitted to exercise any discretion with respect to distribution to the applicant or recipient.

(3) For SSI, real property shall be considered unavailable for so long as it cannot be sold because:

(A) The property is jointly owned and its sale would cause undue hardship due to the loss of housing for the other owner or owners; or

(B) the owner's reasonable efforts to sell the prop-

erty have been unsuccessful.

(4) For SSI, the separate share of resources of the applicant's or recipient's spouse resulting from a division of resources between a husband and wife pursuant to 1988 SB 264 shall not be considered available to the applicant or recipient except as provided in para-

graph (f)(3) of this regulation.

(d)(1) 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

(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.

reside in the same care situation; and

(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 (e), (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.

(m) Despite subsection (e) above, the resources of a child whose needs are met through foster care payments shall not be considered. (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; amended May 1, 1988; amended, T-89-13, April 26, 1988; amended, T-30-7-1-88.)

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 considered available to 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, except for pregnant women and young children who meet the provisions of K.A.R. 30-6-77. 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. (Authorized by and implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; 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 May 1, 1987; amended, T-88-59, Dec. 16, 1987; amended May 1, 1988; amended, T-30-7-1-88.)

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, nonprofit 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 and saving ac-

count;

(i) irregular, occasional, or unpredictable monetary gifts not to exceed \$30.00 per person in any calendar quarter, except this subsection is not applicable to gifts in excess of \$30.00;

(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;

(1) 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 job 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 eligi-

ble 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, 1988;

(cc) for SSI, reparation payments made under the Republic of Germany's federal law for compensation of nationalist socialist persecution;

(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;

(ee) for SSI, income allocated and expended by a person in an institutional living arrangement or a home- and community- based services care arrangement for the support of the person's spouse pursuant to 1988 SB 264; and

(ff) for SSI the amount of social security early widow or widower benefits under section 202(e) or (f)

of the social security act provided that:

(1) The person became ineligible for SSI because of the receipt of such benefits:

(2) the person would be currently eligible for SSI in

the absence of such benefits; and

(3) the person is not entitled to hospital insurance benefits under Part A of title XVIII of the social security act. (Authorized by and implementing K.S.A. 39-708c, 39-709, as amended by 1988 SB 264; 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, 1986; amended, T-88-14, July 1, 1987; amended, T-88-59, Jan. 1, 1988; amended May 1, 1988; amended, T-89-13, April 26, 1988; amended, T-30-7-1-88.)

WINSTON BARTON Secretary of Social and Rehabilitation Services

Doc. No. 006798

(Published in the Kansas Register, July 14, 1988.)

NOTICE OF BOND SALE \$6,200,000

City of Overland Park, Kansas General Obligation Street and Storm Drainage Improvement Bonds Series 1988

(general obligation bonds payable from unlimited ad valorem taxes)

Sealed Bids

Sealed bids for the purchase of \$6,200,000 principal amount of general obligation street and storm drainage improvement bonds, Series 1988 (general obligation bonds payable from unlimited ad valorem taxes), of the city hereinafter described, will be received by the undersigned, city clerk of the city of Overland Park, Kansas, on behalf of the city council at the City Hall, 8500 Santa Fe Drive, Overland Park, until 11 a.m. C.D.T. on Tuesday, August 2, 1988. All bids will be publicly opened and read in Conference Room 2 at said time and place and will be acted upon by the city at 5:30 p.m. C.D.T. in the city council chamber. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated September 1, 1988, and will become due serially on September 1 in the years as follows:

Year		Principal Amount
1989		\$750,000
1990		750,000
1991	` '	750,000
1992		700,000
1993		700,000
1994	4.1.	700,000
1995		650,000
1996		600,000
1997	***	600,000

The bonds will bear interest at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on 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). The principal of the bonds will be payable at maturity or upon earlier redemption to the registered owners upon presentation and surrender of the bonds at the office of the paying agent. Interest on the bonds will be paid by check or draft mailed by the paying agent to the persons in whose names the bonds are registered on the registration books maintained by the bond registrar at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date.

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

Redemption of Bonds Prior to Maturity

At the option of the city, bonds maturing on September 1, 1994, and thereafter, will be subject to redemption and payment prior to maturity on September 1, 1993, and thereafter in whole or in part on any interest payment date (bonds of less than a single maturity to be selected by lot in multiples of \$5,000 principal amount by the paying agent and bond registrar in such equitable manner as it shall designate), at the principal amount thereof, plus accrued interest to the redemption date, without premium.

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

If the city shall elect to call any bond for redemption and payment prior to the maturity thereof, the city shall give written notice of its intention to redeem and pay said bonds on a specified date, the same being described by number and maturity, said notice to be mailed by United States registered or certified mail addressed to the registered owners of said bonds, to the paying agent and bond registrar, and to the manager or managers of the underwriting account making the successful bid, each of said notices to be mailed at least 30 days prior to the redemption date. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Conditions of Bids

Proposals will be received on the bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1 percent. No interest rate shall exceed the index of treasury bonds published by the weekly Credit Markets in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. No rate specified shall be lower than any rate specified for an earlier maturity of the bonds. No supplemental interest payments will be authorized. No bid of less than the principal amount of the bonds and accrued interest will be considered. Each bid shall specify the total interest cost to the city during the life of the bond issue on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the city on the basis of such bid. Each bid shall also specify the average annual net interest rate to the city on the basis of such bid.

Basis of Award

The award of the bonds will be made on an interest rate basis to the bidder whose proposal results in the lowest net interest cost to the city, after subtracting the

amount of the premium bid, if any, from the total interest cost to the city. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the city shall determine which bid, if any, shall be accepted, and its determination shall be final.

Authorization, Purpose and Security for the Bonds

The bonds are being authorized and issued to permanently finance various internal improvements to the city. The bonds will be general obligations of the city payable as to both principal and interest in part from special assessments levied upon specially benefited property and, if not so paid, from ad valorem taxes which may be levied without limitation upon all the taxable tangible property, real and personal, within the territorial limits of the city. The balance of the principal of and interest on the bonds is payable from ad valorem taxes which may be levied without limitation as to rate or amount on all the taxable tangible property, real and personal, within the territorial limits of the city.

Internal Revenue Code of 1986

The Internal Revenue Code of 1986 imposes requirements on the city which must be met subsequent to the issuance of the bonds by the city and, as a result, the city will and does hereby covenant that it will diligently undertake those steps necessary to maintain the tax-exempt status of the bonds. The city's failure to comply with such requirement could adversely affect the tax-exempt status of the bonds. Purchasers of the bonds should be aware that should the bonds lose their status as tax-exempt obligations as a result of the city's failure to comply with such requirements, the bonds are neither callable nor will the rate of interest on the bonds be adjusted to reflect such circumstances.

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

The code also requires property and casualty insurance companies, for taxable years beginning on or after January 1, 1987, to reduce the amount of their deductible underwriting losses by a percentage of the amount of taxexempt interest received or accrued on obligations acquired after August 7, 1986.

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

Legal Opinion

The bonds will be sold subject to the legal opinion of Nichols and Wolfe Chartered, Topeka, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the city, printed on the bonds and delivered to the successful bidder when the bonds are delivered. Said opinion will also state that in the opinion of bond counsel, assuming continued compliance by the city with the provisions of the ordinance authorizing the issuance of the bonds and the code, under existing law, the interest on the bonds is exempt from federal income taxation. Interest on the bonds will also be excluded from the computation of Kansas adjusted gross income for taxable years commencing after December 31, 1987.

Delivery and Payment

The city will pay for printing the bonds and will deliver the bonds, without cost to the successful bidder, properly prepared, executed and registered, on or prior to September 19, 1988, at such bank or trust company in the contiguous United States of America as may be specified by the successful bidder. Said bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity and a certificate regarding the completeness and accuracy of the official statement. Payment for the bonds shall be made in Federal Reserve funds, immediately subject to use by the city. The denominations of the bonds and the names, addresses and Social Security or taxpayer identification numbers of the registered owners shall be submitted in writing by the successful bidder to the city and bond registrar not later than 4 p.m. C.D.T. on August 31, 1988. In the absence of such information, the city will deliver bonds in the denomination of each maturity registered in the name of the successful bidder.

The successful bidder shall furnish the city by 4 p.m. C.D.T. on August 31, 1988, a certificate acceptable to the city's bond counsel to the effect that: (i) the successful bidder has made a bona fide public offering of the bonds at the initial reoffering prices; and (ii) a substantial amount of the bonds was sold to the public (excluding brokers and other intermediaries) at such initial reoffering prices. Such certificate shall state that: (1) it is made on the best knowledge, information and belief of the successful bidder; and (2) 10 percent or more in par amount of the bonds of each maturity was sold to the public at or below the initial reoffering prices (such amount being sufficient to establish the sale of a "substantial amount" of the bonds).

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$124,000, payable to the order of the city to secure the city from any loss resulting from the failure of the bidder to comply with the terms of the bid. No interest will be paid upon the deposit made by the successful bidder. Said check shall be returned to the bidder if the bid is not accepted. If a bid is accepted, said check shall be held by the city until the bidder shall have complied with all of the terms and conditions of this notice, at which time said check shall be returned to the successful bidder or deducted from the purchase price at the option of the city. If a bid is accepted but the city shall fail to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check shall be returned to the bidder. If a bid is accepted but the bidder shall default in the performance of any of the terms and conditions of this notice, the proceeds of such check shall be retained by the city as and for liquidated damages.

CUSIP Numbers

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

Bond Ratings

The outstanding general obligation bonds of the city are rated "Aaa" by Moody's Investors Service, Inc. and "AAA" by Standard & Poor's Corporation, and the city has applied for rating on the bonds herein offered for sale.

Bid Forms

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

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned city clerk and marked "Proposal for the Purchase of General Obligation Bonds." Bids may be submitted by mail or delivered in person to the undersigned at City Hall and must be received by the undersigned prior to 11 a.m. C.D.T. on Tuesday, August 2, 1988.

Official Statement

Copies of the city's official statement relating to the bonds may be obtained from the city clerk or the city's financial adviser, Evensen Dodge, Inc., Suite 3801, 222 S. 9th, Minneapolis, MN 55402, (612) 338-3535. Upon request, a reasonable number of copies of the official statement will be made available to the successful bidder without charge. Additional copies may be obtained at the expense of such bidder.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city for the year 1987 is \$546,427,221. The total general obligation bonded indebtedness of the city as of the date of the bonds, including the bonds, is \$37,100,000, including, as of the date of the bonds, temporary notes outstanding in the principal amount of \$8,150,000, of which \$5,600,000 will be retired out of the proceeds of the bonds herein offered for sale. The city will retire an additional \$800,000 of temporary notes outstanding with cash on hand.

Dated July 19, 1988.

CITY OF OVERLAND PARK, KANSAS
Bernice Crummett
City Clerk
City Hall
8500 Santa Fe Drive
Overland Park, KS 66212
(913) 381-5252

Doc. No. 006804

(Published in the Kansas Register, July 14, 1988.)

NOTICE OF BOND SALE \$2,127,762.02 General Obligation Bonds Series 1988 of the City of Derby, Kansas

(general obligation bonds payable from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, city clerk of the city of Derby, Kansas, on behalf of the governing body at the City Hall, 229 N. Baltimore, Derby, KS 67037, until 7:30 p.m. C.D.T. on Wednesday, July 20, 1988, for the purchase of \$2,127,762.02 principal amount of general obligation bonds, Series 1988, of the city herinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body immediately thereafter. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in denominations of \$5,000 or any integral multiple thereof, except one bond in the denomination of \$7,762.02. The bonds will be dated July 15, 1988, and will become due serially on December 1 in the years as follows:

Year		Principal Amount
1989		\$107,762.02
1990		170.000.00
1991		180,000.00
1992		195,000.00
1993		205,000.00
1994	- i,	220,000.00
1995		235,000.00
1996	and the second	255,000.00
1997		270,000.00
1998	Programme and the second	290,000.00

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as here-

inafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on June 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 lot by the city in such equitable manner as it may determine) on December 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 redemption date.

Whenever the city is to select the 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. 10-101 to 10-125, inclusive, specifically K.S.A. 10-123, K.S.A. 10-620 et seq., K.S.A. 12-6a01 et seq., and K.S.A. 12-1736 et seq., as amended and supplemented, for the purpose of paying the cost of certain street, sewer, water,

fire station and swimming pool 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.

Condition 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 to treasury bonds published by Credit Markets in New York, New York, on the Monday next preceding the day on which the bonds are sold, plus 2 percent. The difference between the highest rate specified and the lowest rate specified shall not exceed 21/2 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 shall 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 shall 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 \$42,555.24 (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 bonds will be made on the basis of the lowest net interest cost to the city, which will be determined by subtacting 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 will 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 bids received after 7:30 p.m. C.D.T. on the date of the sale will be returned to the bidder unopened.

Bid Forms

BOND SALE

All bids must be made on forms which may be procured from the city clerk or financial adviser. 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 General Obligation 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 7:30 p.m. C.D.T. on July 20, 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 shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the bonds will be paid by the city.

Delivery and Payment

The city will pay for printing the bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or before August 10, 1988, at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the 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 shall 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 10 days 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 price 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 July 15, 1988, copies of which may be obtained from the city clerk or from the financial adviser. Upon the sale of the bonds, the city will furnish the successful bidder with a reasonable number of copies thereof without additional cost upon request. Additional copies may be 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	\$30,728,601
Tangible valuation of motor vehicles	\$ 9,243,691
Equalized assessed tangible valuation for computation of bonded debt limitations	\$39,972,292

The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$10,711,986.95. In addition, the city has outstanding temporary notes in the principal amount of \$2,948,000, \$2,660,000 of which will be retired out of proceeds of the bonds and other available funds.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Wichita, 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 city comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so includable in federal gross income retroactive to the date of issuance of the bonds. The city 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 interest on the bonds is exempt from computation of Kansas adjusted gross income for taxable years commencing after December 31, 1987, and the bonds are exempt from intangible personal property taxes levied by Kansas counties, cities or townships.

A form of bond counsel's opinion is contained in the official statement of the city with respect to the bonds.

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)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the bonds; (iii) for taxable years beginning after December 31, 1986, and before January 1, 1992, interest on the bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the code; (iv) for taxable years beginning after December 31, 1986, interest on the bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the code; (v) passive investment income, including interest on the bonds, may be subject to federal income taxation under Section 1375 of the code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income; and (vi) Section 86 of the code requires recipients of certain Social Security and 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 or from the financial adviser, First Securities Company of Kansas, Inc., Wichita, KS 67202, Attention: Kerry J. Clark, (316) 262-4411.

Dated July 5, 1988.

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

Doc. No. 006807

(Published in the Kansas Register, July 14, 1988.)

NOTICE OF BOND SALE \$19,250,000 **Aggregate Principal Amount General Obligation Bonds**

Series 716 and 717 of the City of Wichita, Kansas

(general obligation bonds payable from unlimited ad valorem taxes)

Date, Time and Place of Receiving Bids

The city of Wichita, Kansas, will receive sealed, written bids at the office of the mayor, first floor, City Hall, 455 N. Main, Wichita, until 10 a.m. C.D.T. on Tuesday, July 26, 1988, for the purchase of each of the series of general obligation bonds of the city which are hereinafter described. All bids shall be publicly opened and read aloud on the date and at the time and place indicated above. and shall be immediately thereafter acted upon by the governing body of the city at its regular meeting place in the city commission room at City Hall.

The bonds to be sold are in the aggregate principal amount of \$19,250,000, and consist of Series 716 in the principal amount of \$12,390,000 and Series 717 in the principal amount of \$6,860,000. (The Series 716 bonds and the Series 717 bonds are herein jointly referred to as the "bonds.") Each series of bonds shall be sold separately, and bidders may bid on either or both series of bonds, but must bid on the entire amount of a series. No oral or auction bids for the bonds shall be considered, and no bids for less than the entire amount of a series shall be considered.

Description of Bonds

General Obligation Bonds, Series 716

The Series 716 bonds shall consist of fully registered certificated bonds in denominations of \$5,000, or any integral multiple thereof not exceeding the principal amount maturing in each year; shall bear a dated date of August 1, 1988; and shall mature serially on September 1 (the principal payment date) in each of the years and in the principal amounts as follows:

Principal Amount	Maturity Date
\$ 490,000	1989
530,000	1990
560,000	1991
600,000	1992
650,000	1993
690,000	1994
740,000	1995
790,000	1996
850,000	1997
910,000	1998
970,000	1999
1,040,000	2000
1,110,000	2001
1,190,000	2002
1,270,000	2003

The Series 716 bonds shall bear interest from the dated date at rates which shall be determined upon the public sale thereof as heretofore provided, and said interest will be payable semiannually on March 1 and September 1 of each year (the interest payment dates), commencing March 1, 1989, until the Series 716 bonds are paid in full.

General Obligation Bonds, Series 717

The Series 717 bonds shall consist of fully registered certificated bonds in denominations of \$5,000, or any integral multiple thereof not exceeding the principal amount maturing in each year; shall bear a dated date of August 1, 1988; and shall mature semiannually on June 1 and December 1 (the principal payment dates) in each of the years and in the principal amounts as follows:

Principal Amount		Maturity Date
\$ 340,000		06-01-89
345,000		12-01-89
340,000		06-01-90
345,000	.*	12-01-90
340,000		06-01-91
345,000		12-01-91
340,000		06-01-92
345,000		12-01-92
340,000		06-01-93
345,000		12-01-93
340,000	100	06-01-94
345,000		12-01-94
340,000		06-01-95
345,000		12-01-95
340,000		06-01-96
345,000	,	12-01-96
340,000		06-01-97
345,000	·	12-01-97
345,000		06-01-98
350,000		12-01-98

The Series 717 bonds shall bear interest from the dated date at rates which shall be determined upon the public sale thereof as heretofore provided, and said interest shall be payable semiannually on June 1 and December 1 of each year (the interest payment dates), commencing June 1, 1989, until the Series 717 bonds are paid in full.

Payment of Principal and Interest; Bond Registration

The principal of the bonds shall be payable in lawful money of the United States of America upon presentation of bonds for payment and cancellation at the principal office of the Chase Manhattan Bank, N.A., New York, New York, the city's designated paying agent and bond registrar for the bonds (hereinafter called the "paying agent") by check or draft of the paying agent. Interest on the bonds shall be payable in lawful money of the United States of America, by check or draft of the paying agent, mailed to the registered owners of the bonds as their names appear on the registration books maintained by the paying agent as of the 15th day of the month next preceding the interest payment dates.

The fees of the paying agent for registration, transfer, exchange and payment of the bonds shall be paid by the city, and the city shall also pay for the printing of a reasonable supply of blank registered bond certificates for such purpose. Any additional costs or fees that might be incurred in the secondary market, except the paying agent's said fees, shall be the responsibility of the registered owners of the bonds.

Redemption of Bonds

All of the bonds maturing in the years 1989 through 1993, inclusive, shall become due on their stated maturity dates without the option of prior payment. At the option of the city, the bonds maturing in the years 1994 and thereafter may be called for redemption and payment prior to maturity, in whole or in part (the method of

selection of bonds to be called for redemption if less than all of the bonds are so called shall be designated by the city in such equitable manner as it may determine), and in inverse numerical order, on any applicable principal payment dates in the year 1993, or on any interest payment date thereafter (the effective date of such call being referred to as the "redemption date"), at the following redemption prices (expressed as percentages of the principal amount), plus accrued interest to the redemption date:

Redemption Dates	Redemption Prices
In the years 1993 and 1994	101.00%
In the years 1995 and 1996	100.50%
In the years 1997 and thereafter	100.00%

If the city elects to call for redemption less than all of the bonds at the time outstanding, it shall, in the case of bonds registered in denominations greater than \$5,000, treat each \$5,000 of face value of a bond so registered as though it were a separate bond in the denomination of \$5,000.

Written notice of any call for redemption and payment of the bonds under the aforesaid provisions shall be given to the registered owners of the bonds by United States registered or certified mail not less than 30 days prior to the redemption date. Prior to any redemption date, the city shall deposit with the paying agent sufficient funds to pay bonds called for redemption on such redemption date at the redemption price set forth above and all unpaid and accrued interest thereon to the redemption date. Upon the deposit of said funds, and the giving of notice in the form and manner hereinbefore specified, bonds thus called for redemption shall cease to bear interest from and after the redemption date.

Conditions of Bidding

Proposals will be received on each of the series of bonds bearing such rate or rates of interest as may be specified by the bidder, subject to the conditions of this paragraph. The same rate of interest shall apply to all bonds of a series having the same maturity. Each interest rate specified shall be in an even multiple of \(\frac{1}{8} \) or \(\frac{1}{20} \) of 1 percent. No interest rate shall exceed the maximum interest rate allowed by Kansas law, said rate being equal to the index of treasury bonds published by Credit Markets in New York, New York, on the Monday next preceding the date on which the bonds are sold, plus 2 percent. The difference between the highest rate and the lowest rate specified cannot exceed 3 percent. No bid of less than the entire par value of each series of bonds and accrued interest thereon from the dated date to the date of delivery shall be considered, and no supplemental interest payments shall be authorized. Each bid must state the total interest cost to the city during the life of the bonds on the basis of the bid; the premium, if any, offered by the bidder; the net interest cost to the city on the basis of the bid, and the average annual interest rate to the city on the basis of the bid. Each bid shall be certified by the bidder to be correct, and the governing body shall be entitled to rely on such certificate of correctness.

Form and Submission of Bid; Good Faith Deposit Bids shall be submitted only on the official bid forms

that have been prepared for these series of bonds, and may be obtained from the city's director of finance. No additions or alterations shall be made to the form, and any erasures may cause rejection of the bid. Bids shall be submitted in sealed envelopes, plainly marked "Bid for General Obligation Bonds, Series 716 or Series 717," and shall be addressed to the governing body of the city of Wichita, Kansas, City Hall, 455 N. Main, Wichita, KS 67202-1679, Attention: John Moir, Director of Finance. Bids may be submitted by mail or delivered in person, and must be received at the place and no later than the date and time hereinbefore specified. Any bid received after 10 a.m. C.D.T. on the date of the sale shall be returned to the bidder unopened.

Each bid shall be accompanied by a good faith deposit in the form of a certified or cashier's check drawn on a bank located within the United States and made payable to the order of the city, and shall be in an amount equal to 2 percent of the principal amount of the series of bonds for which the bid is made. If a bid is accepted, the deposit shall be held by the city until the bidder shall have complied with all of the terms and conditions of this notice and of the bid. In the event a bidder whose bid is accepted shall default in the performance of any of the terms and conditions of this notice or of the bid, said deposit shall be retained by the city as and for liquidated damages. If a bid is accepted, but the city shall fail to deliver the bonds to the bidder in accordance with the terms and conditions hereof, said deposit shall be returned to the bidder. No interest shall be paid upon the successful bidder's deposit. The good faith deposit checks of the unsuccessful bidders will be promptly returned.

Awarding of Bonds

Each series of bonds shall be sold separately, and each series of bonds shall be awarded to the bidder whose proposal results in the lowest net interest cost to the city, which shall be determined by deducting 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 identical bids for the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and such determination shall be final. The governing body reserves the right to reject any and all bids and to waive any irregularities in a submitted bid.

Bond Rating

The city's outstanding general obligation bonds that have been issued since 1975 have been rated "Aa" by Moody's Investors Service, Inc. and "AA" by Standard & Poor's Corporation. The city has applied to both of said rating services for ratings on each of the series of bonds described herein.

CUSIP Identification Numbers

The CUSIP Service Bureau shall be requested to assign CUSIP identification numbers to the bonds, and it is expected that such numbers shall be printed on the bonds; but neither the failure to assign any such number to or print such number on any bond nor any error with respect

thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and to make payment for the bonds in accordance with the terms of this notice and of the bid. All expenses in relation to the printing of the CUSIP numbers and the expenses of the CUSIP Service Bureau for assignment thereof shall be the responsibility of and shall be paid for by the city.

Initial Registration

The names, addresses and Social Security or taxpayer identification numbers of the initial registered owners of the bonds and the denominations of the initially registered bonds shall be submitted in writing to the paying agent by the successful bidder not later than Thursday, August 11, 1988. In the event such information is not furnished by such date, the bonds shall be delivered one bond per maturity registered in the name of the successful bidder (or in the name of the manager if a bidding syndicate).

An original purchaser's certificate, which sets forth the initial reoffering prices to the public on the bonds, shall be furnished to the successful bidder by bond counsel. Such certificate must be completed and returned not later than one week prior to the date of delivery of the bonds. 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 the reoffering prices cited in said original purchaser's certificate shall also be furnished to the successful bidder by bond counsel, and such certificate must be completed and returned on delivery of the bonds.

Delivery of and Payment for Bonds

Each series of bonds, duly printed, executed and registered, shall be furnished and paid for by the city and shall be delivered to the successful bidder on or about Thursday, August 18, 1988, at such bank or trust company in the state of Kansas or any of the following Federal Reserve cities: Boston, New York City, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas or San Francisco, as may be specified by the successful bidder, at the expense of the city. Delivery elsewhere shall be made at the expense of the successful bidder. The successful bidder shall be furnished with a certified transcript of proceedings evidencing the authorization and issuance of the bonds and the usual closing proofs, which shall include a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity and a certificate regarding the completeness and accuracy of the official statement. Payment for the bonds shall be made in Federal Reserve funds, immediately available for use by the city.

Official Statement

The city has prepared an official statement dated July 26, 1988, relating to the bonds, copies of which may be obtained from the director of finance. Upon the sale of the bonds, the city shall furnish the successful bidder with a reasonable number of copies of the official statement, without additional cost, upon request. Copies in excess of a reasonable number may be ordered at the successful bidder's expense. Authorization is hereby given to redistribute this notice of bond sale and the official statement, but the entire notice of bond sale and official

statement, and not portions thereof, must be redistributed.

Figures through December 31, 1987, as used in this notice of bond sale and in the official statement, have been obtained from the "City of Wichita, Kansas, Annual Financial Report for 1987," which report has been audited by an independent firm of certified public accountants appointed by the city's governing body.

Authority, Purpose and Security for Bonds

The bonds shall be issued under the authority of the constitution and laws of the state of Kansas, including K.S.A. 10-101 et seq., as amended and supplemented, and each series of bonds shall be authorized by a bond ordinance which shall be adopted by the governing body after the awarding of the bonds.

The proceeds of the bonds will be used, together with special assessments which have been collected in cash and other available funds, for the purpose of permanently financing the costs of constructing various internal improvements in the city.

The bonds and the interest thereon shall constitute general obligations of the city, payable as to both principal and interest, in part, from the collection of special assessment taxes which have been levied against certain properties in the city, and the remainder of said principal and interest, and any part of the specially assessed portion not so paid, shall be paid from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable tangible property within the territorial limits of the city.

Legal Opinion and Tax Exemption

All matters incidental to authorization and issuance of the bonds are subject to the approving opinion of Hinkle, Eberhart & Elkouri, bond counsel, Wichita, Kansas. Bond counsel's opinion shall be printed on the bonds, and a manually signed original shall be furnished without expense to the successful bidder concurrently with delivery of the bonds. All fees and expenses of bond counsel will be paid by the city. Certain legal matters shall be passed upon for the city by Thomas R. Powell, City Attorney and Director of Law.

In the opinion of bond counsel, assuming continued compliance by the city with the respective terms of the bond ordinances, 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 exclusion mentioned in the preceding clause (a) is subject to compliance by the city with all requirements of the Internal Revenue Code of 1986, as amended, which must be satisfied subsequent to issuance of the bonds in order for the interest on the bonds to qualify for such exclusion. 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 delivery of the bonds. The city shall covenant to comply with all such requirements. 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 and townships, and the interest on the bonds is excludable from the computation of Kansas adjusted gross income for taxable years commencing after December 31, 1987.

Relatéd Federal Tax Matters

Prospective bidders for purchase 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 or, in the case of a financial institution within the meaning of Section 265(b)(5) of the code, that portion of a bondholder's interest expense allocable to interest on the bonds; (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the code, for taxable years beginning after December 31, 1986, Section 832(b)(5)(B)(i) of the code 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 prior to 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 more 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 railroad retirement benefits to take into account in determining gross income, receipts or accruals of interest on the bonds. The foregoing categories of prospective bondowners should consult their own tax advisers as to the applicability of any of these consequences.

Assessed Valuation and Bonded Indebtedness

The city's assessed valuation, for the year 1987, is as follows:

Assessed valuation of taxable tangible property	\$1,029,634,266
Taxable value of motor vehicles	
Faustigad accessed tangible valuation for computation	

The total outstanding general obligation bonded indebtedness of the city, upon the issuance of and including the series of bonds described herein, will be \$281,790,000. This amount does not include \$14,110,921 principal amount of the city's currently outstanding temporary improvement notes which will be redeemed and paid from the proceeds of the bonds described herein, special assessments which have been collected in cash, and other available funds.

Other Pending Bond and Temporary Note Issues

The city expects to sell on or about the same date as (continued)

the bonds described herein \$21,895,000 principal amount of its temporary improvement notes. With the exception of said temporary improvement notes, however, neither the city, nor Sedgwick County, Kansas, nor Unified School District No. 259 (the Wichita public school system), presently contemplates the issuance of any additional general obligation indebtedness within the next 30 days.

Additional Information

Additional information regarding the bonds may be obtained from John Moir, Director of Finance, 13th Floor, City Hall, 455 N. Main, Wichita, KS 67202-1679, (316) 268-4434.

By Order of the Governing Body of the City of Wichita, Kansas, this 28th Day of June, 1988.

> By Sheldon Kamen, Mayor Attest: John Moir, City Clerk

Doc. No. 006806

State of Kansas

ATTORNEY GENERAL

Opinion No. 88-86

State Departments; Commissions and Authorities—Department of Commerce—Kansas Partnership Fund; Rules and Regulations to Implement the Act. Harland E. Priddle, Secretary, Department of Commerce, July 1, 1988.

Section 2(b) of 1988 Senate Bill No. 574 provides that the secretary of commerce "shall develop criteria for the review and analysis of loan applications under this section." As the criteria to be developed appear to fall within the definition of a rule or regulation, as set forth in K.S.A. 77-415(4), they must be adopted and filed in accordance within the provisions of K.S.A. 77-415 et seq. Cited herein: K.S.A. 77-415; 1988 Senate Bill No. 574. TRH

Opinion No. 88-87

State Boards, Commissions and Authorities—Kansas Arts Commission—Powers and Duties; Funds; Expenditures.

Taxation—State Gaming Revenues—State Gaming Revenue Funds; Authorized Uses. Dorothy L. Ilgen, Executive Director, Kansas Arts Commission, Topeka, July 1, 1988.

By virtue of authority granted to the Kansas Arts Commission by K.S.A. 74-5204, the commission is permitted to make the proposed grants of economic development initiative fund moneys pursuant to 1988 House Bill No. 2808 and K.S.A. 1987 Supp. 79-4804. Cited herein: K.S.A. 74-5204; K.S.A. 1987 Supp. 79-4801; 79-4804; 1988 House Bill No. 2808. TMN

Opinion No. 88-88

Laws, Journals and Public Information—Records Open to Public; Certain Records Not Required to be Open; Laboratory Records. Stanley C. Grant, Secretary, Kansas Department of Health and Environment, Topeka, July 1, 1988.

Several exceptions to the open records act permit the secretary of Kansas Department of Health and Environment, in his discretion, to refuse disclosure of records maintained by that agency when those records are generated from laboratory tests concerning sexually transmitted diseases. Disclosure of those records may be obtained by consent of the individual whose name appears on the record. The secretary may not disclose records pertaining to prenatal syphilis tests without consent of the woman. Cited herein: K.S.A. 45-216, 45-217, 45-218; K.S.A. 1987 Supp. 45-221(a)(1)-(3), (30), (d); K.S.A. 60-427, 60-437, 65-118, 65-119, 65-127, 65-153f, 65-153g, 75-5608; K.S.A. 1987 Supp. 77-201 Thirteenth; K.A.R. 28-1-2; 5 U.S.C. §§ 552, 552a (1984). MWS

Opinion No. 88-89

Monopolies and Unfair Trade—Fair Credit Reporting Act—Permissible Uses of Credit Reports. Judith K. Stringer, Consumer Credit Commissioner, Topeka, July 1, 1988.

A government agency such as the state Department of Social and Rehabilitation Services (SRS) may obtain consumer reports from a consumer reporting agency for any of the permissible purposes outlined in K.S.A. 50-703. In our opinion, collecting overpaid benefits is not one of the permissible purposes. However, collecting overdue state hospital accounts and medical subrogation accounts, and conducting background investigations of SRS staff may be considered permissible purposes in certain circumstances. Cited herein: K.S.A. 1987 Supp.16a-1-301; K.S.A. 50-701; 50-702; 50-703; 50-707; 15 U.S.C.A. §§ 1681b, 1861f. JLM

Opinion No. 88-90

Schools—School District Equalization Act; Determination of General State Entitlements; Equal Protection. Senator Don Montgomery, 21st District, Sabetha, July 1, 1988.

In determining whether the school district equalization act (SDEA) denies equal protection under the federal or state constitutions, the standard to be applied is the rational basis test. School districts may experience diminishing general state aid by application of the SDEA formula and changing conditions. A legislative act which reduces this effect satisfies such a test. In addition, the legislature may direct how money may be spent in an appropriations bill. Cited herein: K.S.A. 1987 Supp. 72-7042, as amended by L.1988, ch. 282, § 2; K.S.A. 1987 Supp. 72-7043, as amended by L.1988, ch.282, § 3; L. 1988, ch. 33, § 44(a); Kan. Const., Bill of Rights, § 1; U.S. Const., Amend. XIV, § 1. MWS

Opinion No. 88-91

Criminal Procedure—Search and Seizure—Custody and Disposition of Property No Longer Required as Evidence. James E. Flory, Douglas County District Attorney, Lawrence, July 1, 1988.

K.S.A. 1987 Supp. 22-2512 applies to the disposition of all evidence which is seized but is no longer required for evidence, regardless of the circumstances concerning its seizure or subsequent use. When evidence is not

turned over to the rightful owner, it is necessary for the prosecuting attorney to obtain an order of the district court before selling or destroying the property. Cited herein: K.S.A. 1987 Supp. 22-2512; U.S. Const. Amend. V; U.S. Const. Amend. XIV § 1. BLB

ROBERT T. STEPHAN Attorney General

Doc. No. 006811

Please send	clothbound Session Laws @ \$20	
Total enclosed \$ Send to:	(Make checks payable to Secretary of State)	Shipping is by UPS Delivery Service—
		street address is necessary.
· · · · · · · · · · · · · · · · · · ·		
Please mail form, with payr	ment, to:	

KANSAS REGISTER Secretary of State 2nd Floor, State Capitol Topeka, KS 66612-1594

Second Class postage paid at Topeka, Kansas

	Use this form (or a copy of	f it) to e	enter a		
	SUBSCRIPTIO				
		· · ·			·.
	One-year subscriptions @ \$55 ea.			e for Register o only, please	ffice
•		Cod	le	Rec. No.	-
	Total Enclosed	Exp	ires	Entered By	·
	(Make checks payable to Kansas Register)	•	*		
ND TO:					
ease, no					
ore than address					
es.)				•	
				the state of the s	
	Zip code must be included				
	Zip code must be included	· ·			
Mail	Zip code must be included order, with payment, to: Kansas Register, Secretary of S	State, Sta	te Capitol, To	peka, KS 6661	2-1594
Mail	order, with payment, to: Kansas Register, Secretary of S	y of it)	· · · · · · · · · · · · · · · · · · ·	peka, KS 6661	2-1594
Mail	order, with payment, to: Kansas Register, Secretary of S	y of it)	· · · · · · · · · · · · · · · · · · ·	peka, KS 6661	2-1594
	order, with payment, to: Kansas Register, Secretary of S Use this form (or a cop CHANGE OF ADD	y of it) RESS	for	opeka, KS 6661	
	order, with payment, to: Kansas Register, Secretary of S	y of it) RESS	for		
	order, with payment, to: Kansas Register, Secretary of S Use this form (or a cop CHANGE OF ADD	oy of it) RESS	for		
	order, with payment, to: Kansas Register, Secretary of S Use this form (or a cop CHANGE OF ADD	oy of it) RESS	for		
	order, with payment, to: Kansas Register, Secretary of S Use this form (or a cop CHANGE OF ADD	oy of it) RESS	for		
	order, with payment, to: Kansas Register, Secretary of S Use this form (or a cop CHANGE OF ADD	oy of it) RESS	for		