

Kansas Register

Ron Thornburgh, Secretary of State

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State of Kansas

State Conservation Commission

Notice of Meeting

The State Conservation Commission will meet at 9 a.m. Monday, May 8, in the State Conservation Commission's conference room, Suite 500, 109 S.W. 9th, Topeka. A copy of the agenda may be obtained by contacting Becky Brown, 109 S.W. 9th, Suite 500, Topeka, 66612-1299, (785) 296-3600. If special accommodations are needed, contact the agency at least three days in advance of the meeting date.

Tracy D. Streeter
Executive Director

Doc. No. 025109

State of Kansas

Department on Aging

Notice of Meeting

An open meeting will be conducted at 9 a.m. Friday, May 12, in the third floor conference room of the Kansas Department on Aging offices, 503 S. Kansas Ave., Topeka, for the purpose of receiving public input on two issues: 1) the FY 2002 KDOA budget priorities, and 2) the needs of Kansas elders, as required by the Older Americans Act. Interested parties also may provide input via teleconference at several locations across the state at the addresses and phone numbers listed below.

All interested parties may submit written comments prior to the meeting to the Secretary of Aging, New England Building, 503 S. Kansas Ave., Topeka, 66603. All participants will be given a reasonable opportunity to present their views orally during the meeting.

Any individual with a disability may request accommodation in order to participate in the meeting. Requests for accommodation should be made at least five working days in advance of the meeting by contacting Michelle Sweeney at (785) 296-1299 or (785) 291-3167 (TDD). Handicapped parking is located on the east side of 503 S. Kansas Ave., and the east entrance to the building is accessible to individuals with disabilities.

The following locations will provide a teleconference site where interested parties may be a part of the open meeting and give input to the department: Dodge City Area Agency on Aging, Hennessey Hall, 240 San José Drive, Dodge City, (316) 225-8230; South Central Area Agency on Aging, 112 W. 5th, Arkansas City, (316) 442-0268; Central Plains Area Agency on Aging, 625 N. Main, Wichita, (316) 383-7298; Southeast Kansas Area Agency on Aging, 1 W. Ash, Chanute, (316) 431-2980; and Johnson County Area Agency on Aging, 11875 S. Sunset, #200, Olathe, (913) 894-8811.

Additional information may be obtained by contacting Michelle Sweeney.

Connie Hubbell
Secretary of Aging.

Doc. No. 025121

State of Kansas

Commission on Emergency Planning
and Response

Notice of Meeting

The Commission on Emergency Planning and Response will meet at 10 a.m. Thursday, May 11, in the TAG conference room, State Defense Building, 2800 S.W. Topeka Blvd., Topeka. An agenda may be obtained by contacting Sivi Murray, Room 15, State Defense Building, 2800 S.W. Topeka Blvd., Topeka, 66611-1287, (785) 274-1409.

Any individual with a disability may request accommodation in order to participate in the meeting. Requests for accommodation should be made at least five working days in advance of the meeting date by contacting Sivi Murray or the Kansas Relay Center, 1-800-766-3777.

Sivi Murray
Office Manager

Doc. No. 025108

State of Kansas

Department of Administration
Division of Architectural ServicesNotice of Commencement of
Negotiations for Architectural Services

Notice is hereby given of the commencement of negotiations for "on-call" architectural services and a separate contract for "on-call" landscape architectural services for the University of Kansas, Lawrence. Services will include work on small projects for a one-year period, renewable for two additional years. Two firms are being sought to provide the above services; separate submittals should be made for each contract.

For information regarding the scope of services, contact Jim Modig, Director of Design & Construction Management, University of Kansas, (785) 864-3431.

If interested, an original and six copies (seven total) of the SF 255 form (plus relevant attachments of information regarding similar projects) should be submitted. These submittals should be concise, relevant to the project and follow the State Building Advisory Commission guidelines for submittal. Copies of the guidelines have previously been distributed to firms; if copies of the guidelines are required, contact Gary Grimes, Division of Architectural Services, 1020 S. Kansas Ave., Topeka, 66612-1311, (785) 296-8899. Submittals not complying with the guidelines will be returned without consideration.

Expressions of interest and the SF 255 submittals should be received by Gary Grimes before 5 p.m. May 12.

Thaine Hoffman, AIA
Director, Division of
Architectural Services

Doc. No. 025113

State of Kansas

Pooled Money Investment Board

Notice of Investment Rates

The following rates are published in accordance with K.S.A. 75-4210. These rates and their uses are defined in K.S.A. 1999 Supp. 12-1675(b)(c)(d), and K.S.A. 75-4201(l) and 75-4209(a)(1)(B).

Effective 4-24-00 through 4-30-00

Term	Rate
1-89 days	5.99%
3 months	5.71%
6 months	6.06%
9 months	6.17%
12 months	6.23%
18 months	6.36%
24 months	6.37%

Derl S. Treff
Director of Investments

Doc. No. 025107

State of Kansas

Department of Administration
Division of Architectural ServicesNotice of Commencement of
Negotiations for Engineering Services

Notice is hereby given of the commencement of negotiations for mechanical/electrical engineering services for the replacement of the HVAC systems at the Hiawatha and Topeka National Guard Armories. Interested firms should indicate whether they are interested in one or both of the projects. Drawings and specifications must be completed within 60 days after receiving a notice to proceed.

For information regarding the scope of services, contact Col. William Vonderschmidt, Construction and Facilities Manager, Adjutant General's Department, (785) 274-1142.

If interested, an original and six copies (seven total) of the SF 255 form (plus relevant attachments of information regarding similar projects) should be submitted. These submittals should be concise, relevant to the project and follow the State Building Advisory Commission guidelines for submittal. Copies of the guidelines have previously been distributed to firms; if copies of the guidelines are required, contact Gary Grimes, Division of Architectural Services, 1020 S. Kansas Ave., Topeka, 66612-1311, (785) 296-8899. Submittals not complying with the guidelines will be returned without consideration.

Expressions of interest and the SF 255 submittals should be received by Gary Grimes before 5 p.m. May 12.

Thaine Hoffman, AIA
Director, Division of
Architectural Services

Doc. No. 025115

State of Kansas

State Corporation Commission

Notice of Motor Carrier Hearings

The following motor carriers have filed various applications and are scheduled for hearing at 9:30 a.m. May 16 before the commission at its offices, 1500 S.W. Arrowhead Road, Topeka, as indicated below. All applications listed herein are for statewide authority, unless otherwise stated. This list does not include cases which have been continued from earlier assigned hearing dates for which parties of record have received notice.

Requests to inspect and copy the notices provided to the parties and questions in regard to these hearings should be addressed to the State Corporation Commission, Transportation Division, 1500 S.W. Arrowhead Road, Topeka, 66604-4027, (785) 271-3225 or 271-3151. The presiding officer for these matters is Paula Lentz, Assistant General Counsel, (785) 271-3279. Anyone needing special accommodations should give notice to the commission 10 days prior to the scheduled hearing date.

Attention should be directed to Kansas Administrative Regulation 82-1-228, "Rules of Practice and Procedure Before the Commission."

Application for Certificate of Convenience
and Necessity:

Lawrence Bus Company, Inc., 837 Pennsylvania St., Lawrence, KS 66044; MC ID No. 158483; Passengers.

Applications for Certificate of Public Service:

Belle Springs Transport, Inc., 1372 Key Road, Abilene, KS 67410; MC ID No. 158481; General commodities (except household goods).

Clyde S. Gile, dba G.E.M. Trucking, 704 3rd St., Scandia, KS 66966; MC ID No. 158479; General commodities (except household goods and hazardous materials).

Hatchett Ranch L.L.C., Route 3, Box 111, St. Francis, KS 67756; MC ID No. 158403; General commodities (except household goods and hazardous materials).

Ken Heisler, dba Heisler Trucking, 1960 Hawaii Road, Humboldt, KS 66748-2185; MC ID No. 155503; General commodities (except household goods and hazardous materials).

Madden Oil Co., LC, Route 2, Box 281C, Turpin, OK 73950; MC ID No. 122415; General commodities (except explosives, household goods and hazardous materials).

Michael R. Taylor and William D. Taylor, dba Taylor Trenching, 502 Sherman St., Goodland, KS 67735; MC ID No. 158480; Joseph Weiler, Attorney; General commodities (except Classes A and B explosives, household goods and hazardous materials).

3M Cattle, Inc., 4 W. Elmer Lake Road, Kingfisher, OK 73750; MC ID No. 158482; William Parker, Attorney; General commodities (except household goods, Classes A and B explosives, poison gas, highway controlled radioactive materials).

Harold Unrein, dba H.J. Unrein, Route 1, Box 22, Jennings, KS 67643; MC ID No. 157436; General commodities (except explosives, household goods and hazardous materials).

Applications for Transfer of Certificate of
Public Service:

Joseph D. Richard, dba Pro-Tow Wrecker Service, 11410 W. 89th St., Overland Park, KS 66214, MC ID No. 124143, to: Pro-Tow, L.L.C., 11410 W. 89th St., Overland Park, KS 66214; Wrecked, disabled, repossessed and replacement motor vehicles and trailers.

Leo Rieke, 3311 Merriam Lane, Kansas City, KS 66106, MC ID No. 100647, to: Ernie Rieke Equipment Company, Inc., 3311 Merriam Lane, Kansas City, KS 66106; Heavy road machinery and supplies.

Applications for Abandonment of Certificate of Public Service:

Anthony J. Schmitt, dba Schmitt Trucking, 305 E. 4th, Ellinwood, KS 67526; MC ID No. 153438.

Kenneth Arnold Veltman, 2210 Leland Way, Salina, KS 67401-6820; MC ID No. 100110.

Jacquelyn S. Miller
Administrator
Transportation Division

Doc. No. 025129

State of Kansas

Kansas Development Finance Authority

Notice of Hearing

A public hearing will be conducted at 9 a.m. Thursday, May 11, in the conference room in the offices of the Kansas Development Finance Authority, Suite 1000, Jayhawk Tower, 700 S.W. Jackson, Topeka, on the proposal for the Kansas Development Finance Authority to issue its Agricultural Development Revenue Bonds for the projects numbered below in the respective maximum principal amounts. Each bond will be issued to assist the respective borrower named below (who will be the owner and operator of the respective project) to finance the cost in the amount of the bond of acquiring the respective project or for the purpose of refunding a bond previously issued to finance the respective project. Each project shall be located as shown:

Project No. 000448, Maximum Principal Amount: \$65,040.61. Owner/Operator: Patrick and Ardel Helget. Description: Acquisition of 26.5 acres of agricultural land and related improvements and equipment, new shed, tractor with loader, and 13 cow-calf pairs, to be used by the owner/operator for farming purposes. The project is located at Section 16, Logan Township, Ottawa County, Kansas, approximately 5 miles east of Delphos on K-41, then .75 mile east on county road.

Project No. 000449, Maximum Principal Amount: \$180,000. Owner/Operator: Jon and Heather Gleason. Description: Acquisition of 480 acres of agricultural land and related improvements and equipment to be used by the owner/operator for farming purposes. The project is located at the North Half and Southeast Quarter of Section 17, Township 23, Range 21, Hodgeman County, Kansas, approximately 2 miles south of Hanston, then 4 miles east, then 2 miles back south, all on gravel roads.

Project No. 000450, Maximum Principal Amount: \$250,000. Owner/Operator: Mark D. and Vicki L. Case. Description: Acquisition of 320 acres of agricultural land and related improvements and equipment to be used by the owner/operator for farming purposes. The project is located at the North Half of Section 9, Township 8, Range 2 East of the 6th P.M.,

Clay County, Kansas, approximately 4 miles west of Clay Center on Highway 24.

Each bond, when issued, will be a limited obligation of the Kansas Development Finance Authority and will not constitute a general obligation or indebtedness of the State of Kansas or any political subdivision thereof, including the Authority, nor will it be an indebtedness for which the faith and credit and taxing powers of the State of Kansas are pledged. Each bond will be payable solely from amounts received from the respective borrower, the obligation of which will be sufficient to pay the principal of, interest and redemption premium, if any, on each bond when it becomes due.

All individuals who appear at the hearing will be given an opportunity to express their views, and all written comments previously filed with the Authority at its offices at Suite 1000, Jayhawk Tower, 700 S.W. Jackson, Topeka, 66603, will be considered. Additional information regarding any of the projects described above may be obtained by contacting the Authority.

Any individual affected by any of the above-described projects may, at or prior to hearing, file a written request with the Authority that a local hearing be held on the proposal to issue a bond to finance said project. A local hearing, if requested, would be conducted in the county where the project in question is located.

Kenneth Frahm
President

Doc. No. 025126

State of Kansas

Office of the Governor

Executive Order 00-06

WHEREAS, by Executive Order 98-5 dated July 2, 1998, I established the Governor's Military Affairs Coordinating Council; and

WHEREAS, the provisions of Executive Order 98-5 provided for the expiration of the Executive Order on May 1, 2000 unless rescinded earlier or lengthened by executive order; and

WHEREAS, the Governor's Military Affairs Coordinating Council remains active and engaged in the necessary strategies set forth in Executive Order 98-5;

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of Kansas, I hereby incorporate by reference 98-5 and continue said Governor's Military Affairs Coordinating Council until November 1, 2002, unless rescinded earlier or lengthened by executive order.

This document shall be filed with the Secretary of State as Executive Order No. 00-06, and shall become effective May 1, 2000.

Dated April 18, 2000.

Bill Graves
Governor

Attest: Ron Thornburgh
Secretary of State

Doc. No. 025116

State of Kansas

Department of Health and Environment

Notice Concerning Kansas Water Pollution Control Permits

In accordance with Kansas Administrative Regulations 28-16-57 through 63, 28-18-1 through 15, 28-18a-1 through 32, 28-16-150 through 154, 28-46-7, and the authority vested with the state by the administrator of the U.S. Environmental Protection Agency, draft permits have been prepared and/or permit applications have been received for discharges to the waters of the United States and the State of Kansas for the class of discharges described below. The determinations for permit content are based on staff review, applying the appropriate standards, regulations and effluent limitations of the State of Kansas and the EPA, and when issued will result in a State Water Pollution Control Permit and National Pollutant Discharge Elimination System Authorization subject to certain conditions.

All Kansas Department of Health and Environment district office addresses and telephone numbers are listed below.

Public Notice No. KS-AG-00-102/105
Pending Permits for Confined Feeding Facilities

Name and Address of Applicant	Legal Description	Receiving Water
Seaboard Farms, Inc. Farms 221, 223 and 225 9000 W. 67th St. Shawnee Mission, KS 66201	SE/4 of Section 25, NE/4 of Section 36, & SW/4 of Section 30, T33S, R39W, 39W & 38W respectively, Stevens County	Cimarron River Basin

Kansas Permit No. A-CISV-H003 Federal Permit No. KS-0092215

This is a modification/expansion of a permit for an existing facility for 32,400 head (12,960 animal units) of swine weighing greater than 55 pounds. The permit is being modified to reflect the maximum capacity. No buildings or waste control structures are being added.

Wastewater Control Facilities: Wastewater will be impounded for subsequent application to agricultural land for beneficial use. Wastewater storage capacity is provided which meets or exceeds KDHE minimum requirements.

Compliance Schedule: The evaporation ponds that exist on site at each farm are not permitted for use as part of the waste management system. The facility shall be operated and maintained in compliance with the applicable requirements of K.S.A. 65-171d, K.S.A. 65-1,178 through 1,199 and K.S.A. 2-3318 *et seq.*

Name and Address of Applicant	Legal Description	Receiving Water
Henry's Ltd. Roy J. Henry, President 822 Sixth Road Longford, KS 67458	NW/4 of Section 8 & SE/4 of Section 5, T10S, R2E, Clay County	Smoky Hill River Basin

Kansas Permit No. A-SHCY-H001 Federal Permit No. KS-0017401

This is an application for a change in operation of an existing swine facility resulting in the addition of 426 head of swine, each weighing more than 55 pounds, and the subtraction of 118 head of swine, each weighing 55 pounds or less, resulting in a capacity of 7,832 head of swine weighing more than 55 pounds and 5,725 head of swine weighing 55 pounds or less, for a total capacity of 13,557 head (3,705.3 animal units) of swine. This permit is a reduction from the current maximum permitted capacity because the facility is currently

permitted to expand to 8,132 head of swine, each weighing more than 55 pounds.

Wastewater Control Facilities: Wastewater will be impounded for subsequent application to agricultural land for beneficial use. Wastewater storage capacity is provided which meets or exceeds KDHE minimum requirements.

Compliance Schedule: The facility shall be operated and maintained in compliance with the applicable requirements of K.S.A. 65-171d, K.S.A. 65-1,178 through 1,199 and K.S.A. 2-3318 *et seq.*

Name and Address of Applicant	Legal Description	Receiving Water
Theron Culwell Route 2, Box 120 St. Francis, KS 67756	NW/4 of Section 31, T5S, R39W, Cheyenne County	Upper Republican River Basin

Kansas Permit No. A-URCN-B005

This is new facility for a maximum of 999 head (999 animal units) of beef cattle weighing greater than 700 pounds.

Wastewater Control Facilities: Wastewater will be impounded for subsequent application to agricultural land for beneficial use. Wastewater storage capacity is provided which meets or exceeds KDHE minimum requirements.

Compliance Schedule: The approved waste management plan shall be adhered to as a condition of the permit. Dewatering equipment shall be obtained within 60 days of the effective date of the permit and written verification submitted to the department. The retention structure and sediment diversion and basin shall be sealed with bentonite to the maximum waterline elevation. A permeability test shall be conducted and meet the maximum allowable seepage rate of 0.25 inches or less per day.

Name and Address of Applicant	Legal Description	Receiving Water
Seaboard Farms, Inc. 9000 W. 67th St., Suite 200 Shawnee Mission, KS 66202	Farm 109 - SE/4 of Section 9; Farm 112 - NW/4 of Section 22; Farm 110 - SW/4 of Section 16; Farm 115 - SW/4 of Section 15; Farm 111 - NE/4 of Section 22; Farm 128 - SE/4 of Section 15; All in T30S, R37W, Grant County	Cimarron River Basin

Kansas Permit No. A-CIGT-H002 Federal Permit No. KS-0095788

This is a permit renewal of an existing facility (Farms 109, 111, 112 & 115) and an expansion (Farm 128) for a total of 64,800 head (6,480 animal units) of nursery pigs weighing less than 55 pounds each.

Wastewater Control Facilities: Wastewater will be impounded for subsequent application to agricultural land for beneficial use. Wastewater storage capacity is provided which meets or exceeds KDHE minimum requirements.

Compliance Schedule: Permeability tests shall be conducted on the lagoon at Farm 128 and copies submitted to the department within 30 days of testing. Permeability tests shall be completed after the soil liner has been compacted, but prior to the placement of any synthetic liner(s). Within six months of permit issuance, the owner/operator of the facility shall provide the department with a listing of on-site dewatering equipment and a copy of the lease/easement or agreement or proof of purchase of property upon which the facility will be constructed and effluent applied. The anaerobic lagoon at Farm 128 shall be refilled to a minimum of 50 percent of the required biological volume prior to being placed into service. The facility shall be operated and maintained in compliance with the applicable requirements of K.S.A. 65-171d, K.S.A. 65-1,178 through 1,199 and K.S.A. 2-3318 *et seq.*

Public Notice No. KS-00-092/094

Name and Address of Applicant	Waterway	Type of Discharge
N.R. Hamm Quarry, Inc. P. O. Box 17 Perry, KS 66073	Marais des Cygnes River via Salt Creek via Unnamed Tributary	Wash Water & Stormwater Runoff

Facility Name: Lieber/Plage Quarry #74
 Kansas Permit No. I-MC21-PO02 Federal Permit No. KS0080853
 Legal: SW¹/₄, S9, T17S, R15E, Osage County

Facility Description: The proposed action is to reissue an existing permit for the discharge of stormwater run-off and wash water from this facility. This facility is a limestone quarrying operation, with some washing. Any discharge is from a settling pond that receives wash water and stormwater runoff. The proposed permit includes limits for total suspended solids and pH. The permit requirements are pursuant to the Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f), and Federal Surface Water Criteria, and are water quality based.

Name and Address of Applicant	Waterway	Type of Discharge
J. H. Shears' Sons, Inc. P.O. Box 1605 Hutchinson, KS 67504-1605	Neosho River via Eagle Creek via Fourmile Creek	Pit Dewatering, Stormwater Runoff & Wash Water

Facility Name: Nelson Quarry
 Kansas Permit No. I-NE33-PO01 Federal Permit No. KS0086657
 Legal: NE¹/₄, S3, T21S, R13E, Lyon County

Facility Description: The proposed action is to reissue an existing permit for the discharge of pit dewatering, uncontaminated stormwater runoff and wash water from this facility. This facility is a limestone quarrying and crushing operation with some washing. All wash-water is recycled via settling ponds. The proposed permit includes limits for total suspended solids and pH. The permit requirements are pursuant to the Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f), and Federal Surface Water Criteria, and are water quality based.

Name and Address of Applicant	Waterway	Type of Discharge
Union Pacific Railroad 1416 Dodge St., Room 930 Omaha, NE 68179	Verdigris River via Onion Creek via Municipal Storm Sewer	Stormwater Runoff

Facility : Coffeyville Railyard, 520 W. 14th St., Coffeyville, Kansas
 Kansas Permit No. I-VE09-PO05 Federal Permit No. KS0078981
 Legal: SE¹/₄, S2, T35S, R16E, Montgomery County

Facility Description: The proposed action is to reissue an existing permit for the discharge of stormwater run-off from this facility. Stormwater runoff from a car repair shop, fueling platform, rail car wash platform and parking lot is directed through a grit chamber, a lift station, an oil-water separator and a flow control manhole to Coffeyville's sanitary sewer. Stormwater runoff in excess of the amount that can be processed is transferred from the lift station to an earthen holding lagoon. The holding lagoon drains at a controlled rate back into the pump station after the storm has receded. Any stormwater in excess of a 10-year, 24-hour precipitation event overflows, through a trash screen, to the storm sewer. Monitoring of the effluent will not be required unless there is a significant change in the quality or quantity of the subject discharge. The permit contains a supplemental condition that requires a sample from the earthen lagoon to be analyzed annually. The permit requirements are pursuant to the Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f), and Federal Surface Water Criteria, and are water quality based.

Persons wishing to comment on or object to the draft permits and/or permit applications must submit their comments in writing to the Kansas Department of Health and Environment if they wish to have the comments or

objections considered in the decision making process. Comments or objections should be submitted to the attention of Dena Endsley for agricultural permits or applications, or to the permit clerk for all other permits, at the Kansas Department of Health and Environment, Division of Environment, Bureau of Water, J Street and 2 North, Forbes Field, Building 283, Topeka, 66620.

All comments regarding the draft permit or application notice postmarked or received on or before May 27 will be considered in the formulation of final determinations regarding this public notice. Please refer to the appropriate Kansas permit number (KS-AG-00-102/105, KS-00-092/094) and name of applicant/application as listed when preparing comments.

If no objections are received during the public notice period regarding any proposed permit, the Secretary of Health and Environment will issue the final determination regarding issuance or denial of the proposed permit. If response to this notice indicates significant public interest, a public hearing may be held in conformance with K.A.R. 28-16-61 (28-46-21 for UIC). Media coordination for publication and/or announcement of the public notice or public hearing is handled by the Kansas Department of Health and Environment.

For agricultural permits and applications, a copy of the permit application, supporting documentation, and a KDHE-developed fact sheet, if appropriate, is available for review at the appropriate district office:

- Northwest District Office, 2301 E. 13th, Hays, 67601-2651, (785) 625-5664
- North Central District Office, 2501 Market Place, Salina, 67401-7699, (785) 827-9639
- Northeast District Office, 800 W. 24th, Lawrence, 66046-4417, (785) 842-4600
- Southwest District Office, 302 W. McArtor Road, Dodge City, 67801-6098, (316) 225-0596
- South Central District Office, 130 S. Market, 6th Floor, Wichita, 67202-3802, (316) 337-6020
- Southeast District Office, 1500 W. 7th, Chanute, 66720, (316) 431-2390

Plans and documents for all new facilities and for expansions of existing swine facilities also may be reviewed on the Internet at www.kdhe.state.ks.us.

For all other proposed permits, the draft permit(s), including proposed effluent limitations and special conditions, fact sheets as appropriate, comments received and other information, are on file and may be inspected at the offices of the Kansas Department of Health and Environment, Bureau of Water.

Division of Environment offices are open from 8 a.m. to 5 p.m. Monday through Friday, excluding holidays. These documents are available upon request at the copying cost assessed by KDHE. Additional copies of this public notice also may be obtained at the Division of Environment.

Clyde D. Graeber
 Secretary of Health
 and Environment

Doc. No. 025130

State of Kansas

Workforce Investment Partnership Council

Notice of meeting

The Kansas Workforce Investment Partnership Council (State Workforce Investment Board) will hold its regularly scheduled meeting from 9 a.m. to 3:30 p.m. Friday, April 28, at the Southside Education Center, 4501 E. 47th St. South, Wichita.

For additional information, contact Monica Hernandez at (785) 296-6314. Individuals who use TTY or TDD may contact the council through the Kansas Relay Service, 1-800-766-3777.

Richard E. Beyer
Secretary of Human Resources

Doc. No. 025125

State of Kansas

Department of Health
and Environment

Request for Comments

The Kansas Department of Health and Environment is soliciting comments regarding issuance of authorizations to operate under the general Class I air quality operating permit for natural gas compressor stations. Authorizations to operate under the general Class I operating permit have been issued in accordance with the provisions of K.A.R. 28-19-400 *et seq.*

A copy of each permit application, authorization and all supporting documentation is available for public review during normal business hours at the KDHE, Bureau of Air and Radiation, Building 283, Forbes Field, Topeka. Information also is available at the KDHE district office indicated for each facility. To obtain or review the permit, authorization and supporting documentation, contact Connie Carreno, (785) 296-6422, at the KDHE central office, or the indicated district representative. The standard departmental cost will be assessed for any copies requested.

Direct written comments or questions regarding an authorization to Connie Carreno, Bureau of Air and Radiation, KDHE, Building 283, Forbes Field, Topeka, 66620.

A list of all major sources within the state authorized to operate under the terms of the general Class I operating permit will be maintained at the Topeka KDHE offices.

Authorizations issued during the week of April 10:

Company:	Enron Transportation and Storage
Compressor Station:	Sublette Station
Source ID No.:	1760046
Location:	S1, T32S, R33W, Seward County
KDHE District Rep.:	Wayne Neese, (316) 225-0596
Rep. Location:	Southwest District Office, Dodge City

Clyde D. Graeber
Secretary of Health
and Environment

Doc. No. 025114

State of Kansas

Commission on Veterans' Affairs

Notice of Meeting

The Kansas Commission on Veterans' Affairs will meet at 1 p.m. Monday, May 1, in Timmerman Hall at the Kansas Veterans' Home, Winfield. At 2 p.m., opening ceremonies of the Kansas Veterans' Home will be held at the Donlan Building. The public is invited to attend. For additional information, call (785) 296-3976.

Stoney Wages
Executive Director

Doc. No. 025112

State of Kansas

Department of Health
and Environment

Request for Comments

The Kansas Department of Health and Environment is soliciting comments regarding a proposed air quality construction permit. J Corp has applied for an air quality construction permit in accordance with the provisions of K.A.R. 28-19-300 to install a portable asphalt plant. Emissions of sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), volatile organic compounds (VOCs), total particulate matter (PM) and particulate matter equal to or less than 10 microns in diameter (PM₁₀) were evaluated during the permit review process.

J Corp, Hays, owns and operates a portable asphalt plant.

A copy of the proposed permit, permit application, all supporting documentation and all information relied upon during review of the permit application is available for public inspection for a period of 30 days from the date of publication during normal business hours at the KDHE, Bureau of Air and Radiation, Building 283, Forbes Field, Topeka, and at the KDHE Northwest District Office, 2301 E. 13th, Hays. To obtain or review the proposed permit and supporting documentation, contact Herbert Buckland, (785) 296-6438, at the KDHE central office, or Rick Robinson, (785) 625-5663, at the KDHE Northwest District Office. The standard departmental cost will be assessed for any copies requested.

Direct written comments or questions regarding the proposed permit to Herbert Buckland, KDHE, Bureau of Air and Radiation, Building 283, Forbes Field, Topeka, 66620. In order to be considered in formulating a final permit decision, written comments must be received by the close of business May 30.

A person may request a public hearing be held on the proposed permit. The request for a public hearing shall be in writing and set forth the basis for the request. The written request must be submitted to Connie Carreno, Bureau of Air and Radiation, not later than the close of business May 30 in order for the Secretary of Health and Environment to consider the request.

Clyde D. Graeber
Secretary of Health
and Environment

Doc. No. 025131

State of Kansas

Statewide Independent Living Council

Notice of Meeting

The Statewide Independent Living Council of Kansas, Inc. will meet at 10 a.m. Friday, May 19, in the meeting room of Kansas Rehabilitation Services, 3640 S.W. Topeka Blvd., Topeka. For further information, contact Mary Lou Dunn or Shannon Jones at (785) 234-6990 or 1-800-217-4525.

Shannon Jones
Executive Director

Doc. No. 025132

State of Kansas

Department of Health and Environment

Request for Comments

The Kansas Department of Health and Environment has received a permit application for Pratt County to operate a household hazardous waste facility, which will be located at 1104 S. Main St., Pratt, in the Southwest 1/4 of Section 3, Township 28S, Range 13W, Pratt County. KDHE is providing public notice of its intent to issue a household hazardous waste facility permit to Pratt County. Pratt County recently made submittals that are under review to ascertain compliance with state regulations for solid waste processing facilities. KDHE will draft a permit to reflect these submittals.

A copy of the administrative record, which includes the permit application and all information regarding this permit action, is available for public review until May 30 during normal business hours, Monday through Friday, at the following locations:

Kansas Department of Health and Environment
Permits Section
Bureau of Waste Management
Forbes Field, Building 740
Topeka, 66620
Contact: Dennis A. Degner
(785) 296-1601

Pratt County Clerk
300 S. Ninnescah
Pratt, 67124
Contact: Alma Walker
(316) 672-4110

Anyone wishing to comment on the permit application and attached information should submit written statements postmarked not later than May 30 to Dennis Degner (KDHE). After consideration of all comments received, the director of the Division of Environment will make a final decision on whether to issue the permit. Notice of the decision will be given to anyone who submitted written comments during the comment period and to those who requested notice of the final permit decision.

Clyde D. Graeber
Secretary of Health and Environment

Doc. No. 025145

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, Room 102, Landon State Office Building, 900 S.W. Jackson, Topeka, until 2 p.m. on the date indicated and then will be publicly opened. Interested bidders may call (785) 296-2377 for additional information:

Monday, May 8, 2000

01487

University of Kansas—Rental of High Volume Duplicator

01496

Department of Social and Rehabilitation Services—All Labor and Materials to Construct Vending Machine Shelters, Various Locations

01509

Atchison Juvenile Correctional Facility—Medical Services

Wednesday, May 10, 2000

01498

Statewide—Packing Items

Thursday, May 11, 2000

33662-Rebid

Statewide—Work Gloves

Tuesday, May 16, 2000

A-8986

Lansing Correctional Facility—Electrical System Improvements, Industries Building

01512

Kansas State University—Satellite Transponder Time

Thursday, May 18, 2000

A-8473-Rebid

Kansas State Historical Society—Rehabilitation of Hollenberg Station, Hanover

A-8975

University of Kansas—North Entry Accessibility Improvements, Haworth Hall

A-8977

University of Kansas—ADA Improvements, Restrooms, Lindley Hall

Tuesday, May 30, 2000

01424

University of Kansas Medical Center—Professional Liability Insurance for Students in School of Nursing and School of Allied Health

(continued)

Request for Proposals

Friday, May 12, 2000

01514

Petroleum Storage Tank Investigation and Cleanup Services for the Department of Health and Environment

**John T. Houlihan
Director of Purchases**

Doc. No. 025137

(Published in the Kansas Register April 27, 2000.)

Summary Notice of Bond Sale

City of Topeka, Kansas

\$6,850,000

General Obligation Bonds

Series 2000-A

(General obligation bonds payable from unlimited ad valorem taxes)

Sealed Bids

Subject to the official notice of bond sale and preliminary official statement to be dated on or about April 27, 2000, sealed bids will be received by the city clerk of the City of Topeka, Kansas (the issuer), on behalf of the governing body of the city at City Hall, 215 E. 7th, Topeka, KS 66603, until 11 a.m. Tuesday, May 9, 2000, for the purchase of \$6,850,000 principal amount of General Obligation Bonds, Series 2000-A. No bid of less than 98.50 percent of the aggregate principal amount of the bonds and accrued interest thereon to the date of delivery will be considered, and no supplemental interest payments will be considered.

Bond Detail

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will initially be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York, to which payments of principal of and interest on the bonds will be made. Individual purchases of bonds will be made in book-entry form only. Purchasers will not receive certificates representing their interest in bonds purchased. The bonds will be dated May 15, 2000, and will become due on August 15 in the years as follows:

Year	Principal Amount
2001	\$185,000
2002	205,000
2003	225,000
2004	255,000
2005	210,000
2006	230,000
2007	265,000
2008	290,000
2009	305,000
2010	320,000
2011	340,000
2012	355,000
2013	375,000
2014	395,000

2015	420,000
2016	440,000
2017	465,000
2018	495,000
2019	520,000
2020	555,000

The bonds will be subject to mandatory and optional redemption prior to maturity as provided in the official notice of bond sale and preliminary official statement.

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on February 15 and August 15 in each year, beginning February 15, 2001.

Paying Agent and Bond Registrar

The Kansas State Treasurer, Topeka, Kansas, is designated as the paying agent and bond registrar for 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 or a qualified financial surety bond in the amount of \$137,000 (2 percent of the principal amount of the bonds).

Delivery

The issuer will pay for printing the bonds and will deliver the same properly prepared, executed and registered at such bank or trust company in the contiguous United States as may be specified by the successful bidder without cost to the successful bidder within 45 days after the date of sale.

Assessed Valuation and Indebtedness

The total assessed valuation of taxable tangible property in the city for the year 1999 is \$840,571,726. The total general obligation indebtedness of the issuer, following the concurrent issuance of the bonds and the city's Temporary Notes, Series 2000-A, in the aggregate principal amount of \$13,530,000 (less the Series 1999-A Notes in the principal amount of \$13,240,000), all of which mature on June 1, 2000, is \$130,725,000.

Approval of Bonds

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 issuer and delivered to the successful bidder when the bonds are delivered.

Additional Information

Additional information regarding the bonds may be obtained from Randall Bailes, the city controller, (785) 368-3970, fax (785) 368-3975; or from the city's financial advisor, CSG Advisors Incorporated (Kansas City), 4310 Madison Ave., Suite 200, Kansas City, MO 64111, (816) 531-1777, fax (816) 531-0503.

Dated April 27, 2000.

City of Topeka, Kansas
Iris E. Walker, City Clerk
City Hall
215 S.E. 7th
Topeka, KS 66603
(785) 368-3940

Doc. No. 025123

(Published in the Kansas Register April 27, 2000.)

**Summary Notice of Bond Sale
City of Liberal, Kansas
\$4,660,000**

**General Obligation Bonds, Series A, 2000
(General obligation bonds payable from
unlimited ad valorem taxes)**

Sealed Bids

Subject to the notice of bond sale dated April 25, 2000, sealed bids will be received by the clerk of the City of Liberal, Kansas (the issuer), on behalf of the governing body at City Hall, 325 N. Washington, Liberal, KS 67905-2199, until 4 p.m. May 9, 2000, for the purchase of \$4,660,000 principal amount of General Obligation Bonds, Series A, 2000. No bid of less than 100 percent of the principal amount of the bonds and accrued interest thereon to the date of delivery will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated June 1, 2000, and will become due on December 1 in the years as follows:

Year	Principal Amount
2001	\$100,000
2002	225,000
2003	240,000
2004	260,000
2005	270,000
2006	285,000
2007	300,000
2008	310,000
2009	325,000
2010	345,000
2011	360,000
2012	380,000
2013	400,000
2014	420,000
2015	440,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning June 1, 2001.

Optional Book-Entry-Only System

The successful bidder may elect to have the bonds registered under a book-entry-only system administered through DTC.

Paying Agent and Bond Registrar

Kansas State Treasurer, Topeka, Kansas.

Good Faith Deposit

Each bid shall be accompanied by a good faith deposit in the form of a cashier's or certified check drawn on a bank located in the United States or a qualified financial surety bond in the amount of \$93,200 (2 percent of the principal amount of the bonds).

Delivery

The issuer will pay for printing the bonds and will deliver the same properly prepared, executed and regis-

tered without cost to the successful bidder on or about June 1, 2000, to DTC for the account of the successful bidder or at such bank or trust company in the contiguous United States as may be specified by the successful bidder, or elsewhere at the expense of the successful bidder.

Assessed Valuation and Indebtedness

The equalized assessed tangible valuation for computation of bonded debt limitations for the year 1999 is \$105,113,200. The total general obligation indebtedness of the issuer as of the date of delivery of the bonds, including the bonds being sold, is \$23,310,000.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., Wichita, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the issuer, printed on the bonds and delivered to the successful bidder when the bonds are delivered.

Additional Information

Additional information regarding the bonds may be obtained from the clerk, (316) 626-0101, or from the financial advisor, Froggatte & Company, 320 N. Main, Wichita, KS 67202, Attention: Theron L. Froggatte, (316) 264-6300.

Dated April 25, 2000.

City of Liberal, Kansas

Doc. No. 025127

(Published in the Kansas Register April 27, 2000.)

**Summary Notice of Bond Sale
City of Hutchinson, Kansas
\$2,030,000***

**General Obligation Bonds, Series 2000-A
(General obligation bonds payable from
unlimited ad valorem taxes)**

Sealed Bids

Subject to the notice of bond sale dated April 26, 2000, sealed bids will be received by the city clerk of the City of Hutchinson, Kansas, on behalf of the governing body at 125 E. Ave. B, Hutchinson, KS 67501, until 10 a.m. May 9, 2000, for the purchase of \$2,030,000* principal amount of General Obligation Bonds, Series 2000-A. No bid of less than the entire par value of the bonds, except a discount of not greater than .50 percent of the value of the bonds, and accrued interest to the date of delivery will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated May 1, 2000, and will become due October 1 in the years as follows:

Maturity October 1	Principal Amount*
2001	\$ 40,000
2002	115,000
2003	120,000
2004	130,000

(continued)

2005	140,000
2006	145,000
2007	155,000
2008	205,000
2009	175,000
2010	180,000
2011	50,000
2012	50,000
2013	55,000
2014	55,000
2015	60,000
2016	65,000
2017	65,000
2018	70,000
2019	75,000
2020	80,000

The bonds will bear interest from that date at rates to be determined when the bonds are sold as provided, which interest will be payable semiannually on April 1 and October 1 in each year, beginning April 1, 2001.

Paying Agent and Bond Registrar

Kansas State Treasurer, Topeka, Kansas.

Good Faith Deposit

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States or a qualified financial surety bond in a form that complies with the requirements set forth in the notice of sale in the amount of \$40,600.

Delivery

The city will pay for preparation of the bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about May 31, 2000, at the offices of the Depository Trust Company, New York, New York.

Assessed Valuation and Indebtedness

The equalized assessed tangible valuation for computation of bonded debt limitations for the year 1999 is \$215,515,288. The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$28,860,000.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Logan Riley Carson & Kaup, L.C., Overland Park, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the city and delivered to the successful bidder when the bonds are delivered.

Additional Information

Additional information regarding the bonds may be obtained from the city clerk, (316) 694-2613, or from bond counsel, Logan Riley Carson & Kaup, L.C., 9200 Indian Creek Parkway, Suite 230, Overland Park, KS 66210, (913) 661-0399.

Dated April 19, 2000.

City of Hutchinson, Kansas
By Ross Vander Hamm
City Hall
125 E. Ave. B
Huchinson, KS 67501

*Subject to change.

Doc. No. 025124

(Published in the Kansas Register April 27, 2000.)

Summary Notice of Note Sale City of Manhattan, Kansas

\$330,000

Temporary Notes

Series 2000-02

(Subject to Alternative Minimum Tax)

(Book-Entry Only)

\$1,990,000

Temporary Notes

Series 2000-03

(Book-Entry Only)

**(General obligation notes payable from
unlimited ad valorem taxes)**

Bids

Subject to the notice of note sale dated April 18, 2000, bids will be received by Springsted Incorporated (the financial advisor), 85 E. 7th Place, Suite 100, St. Paul, MN 55101, on behalf of the City of Manhattan, Kansas (the issuer), until 11 a.m. May 2, 2000, for the separate purchase of: (a) \$330,000 principal amount of Temporary Notes, Series 2000-02, and (b) \$1,990,000 principal amount of Temporary Notes, Series 2000-03, of the issuer (jointly, the notes). No bid of less than 99 percent of the principal amount of each series of notes and accrued interest thereon to the date of delivery will be considered.

Note Details

The notes will consist of fully registered book-entry-only notes consisting of one note per series, registered under a book-entry-only system administered through DTC. The notes will be dated June 15, 2000, and will become due on June 15, 2002. The notes will bear interest from the date thereof at rates to be determined when the notes are sold as hereinafter provided, which interest will be payable semiannually on December 15 and June 15 in each year, beginning December 15, 2000.

Paying Agent and Note Registrar

City Treasurer, Manhattan, Kansas.

Delivery

The issuer will pay for printing the notes and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about June 15, 2000, at DTC for the account of the successful bidder.

Assessed Valuation and Indebtedness

The equalized assessed tangible valuation for computation of bonded debt limitations for the year 1999 is \$224,169,013. The total general obligation indebtedness of the issuer as of the date of delivery of the notes, including the notes and the issuer's General Obligation Bonds, Series 211, being sold on the same date as the notes, but excluding temporary notes to be retired in conjunction therewith, is \$61,610,000. Temporary notes in the principal amount of \$1,587,000 will be retired out of proceeds of the notes, the Series 211 Bonds and other available funds.

Approval of Notes

The notes will be sold subject to the legal opinion of Gilmore & Bell, P.C., Wichita, Kansas, bond counsel,

whose approving legal opinion as to the validity of the notes will be furnished and paid for by the issuer, printed on the notes and delivered to the successful bidder when the notes are delivered.

Additional Information

Additional information regarding the notes may be obtained from Curt Wood, Director of Finance, City Hall, First Floor, 1101 Poyntz Ave., Manhattan, KS 66502-5460, (785) 587-2465; or from the financial advisor, Springsted Incorporated, Attention: David MacGillivray, (651) 223-3000, fax (651) 223-3002.

Dated April 18, 2000.

City of Manhattan, Kansas

Doc. No. 025128

(Published in the Kansas Register April 27, 2000.)

**Summary Notice of Bond Sale
Unified School District No. 254
Barber County, Kansas
(Barber County North)**

\$3,300,000

**General Obligation School Building Bonds
Series 2000**

**(General obligation bonds payable from
unlimited ad valorem taxes)**

Sealed Bids

Subject to the notice of bond sale dated April 10, 2000, sealed bids will be received by the clerk of Unified School District No. 254, Barber County, Kansas (Barber County North) (the issuer), on behalf of the governing body at office of the Board of Education, 308 Main, P.O. Box 288, Medicine Lodge, KS 67104-0288, until 7:30 p.m. May 8, 2000, for the purchase of \$3,300,000 principal amount of General Obligation School Building Bonds, Series 2000. No bid of less than 100 percent of the principal amount of the bonds and accrued interest thereon to the date of delivery will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated May 1, 2000, and will become due on September 1 in the years as follows:

Year	Principal Amount
2001	\$ 55,000
2002	125,000
2003	170,000
2004	175,000
2005	185,000
2006	200,000
2007	210,000
2008	220,000
2009	235,000
2010	250,000
2011	260,000
2012	280,000

2013	295,000
2014	310,000
2015	330,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning March 1, 2001.

Optional Book-Entry-Only System

The successful bidder may elect to have the bonds registered under a book-entry-only system administered through DTC.

Paying Agent and Bond Registrar

Kansas State Treasurer, Topeka, Kansas.

Good Faith Deposit

Each bid shall be accompanied by a good faith deposit in the form of a cashier's or certified check drawn on a bank located in the United States or a qualified financial surety bond in the amount of \$66,000 (2 percent of the principal amount of the bonds).

Delivery

The issuer will pay for printing the bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about May 30, 2000, to DTC for the account of the successful bidder or at such bank or trust company in the contiguous United States as may be specified by the successful bidder, or elsewhere at the expense of the successful bidder.

Assessed Valuation and Indebtedness

The equalized assessed tangible valuation for computation of bonded debt limitations for the year 1999 is \$33,616,439. The total general obligation indebtedness of the issuer as of the date of delivery of the bonds, including the bonds being sold, is \$3,300,000.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., Wichita, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the issuer, printed on the bonds and delivered to the successful bidder when the bonds are delivered.

Additional Information

Additional information regarding the bonds may be obtained from the clerk, (316) 886-3370, or from the financial advisor, Ranson & Associates, Inc., 250 N. Rock Road, Suite 150, Wichita, KS 67206-2241, Attention: Stephen E. Shogren, (316) 681-3123.

Dated April 10, 2000.

Unified School District No. 254
Barber County, Kansas
(Barber County North)

Doc. No. 025122

(Published in the Kansas Register April 27, 2000.)

Summary Notice of Bond Sale

City of Hiawatha, Kansas

\$710,800

General Obligation Bonds, Series 2000**(General obligation bonds payable from unlimited ad valorem taxes)****Sealed Bids**

Subject to the notice of bond sale dated April 25, 2000, sealed bids will be received by the clerk of the City of Hiawatha, Kansas (the issuer), on behalf of the governing body at 723 Oregon, Hiawatha, KS 66434, until 4:30 p.m. May 8, 2000, for the purchase of \$710,800 principal amount of General Obligation Bonds, Series 2000. No bid of less than 100 percent of the principal amount of the bonds and accrued interest thereon to the date of delivery will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof, except one bond in the denomination of \$800. The bonds will be dated May 15, 2000, and will become due on October 1 in the years as follows:

Year	Principal Amount
2001	\$40,800
2002	55,000
2003	65,000
2004	65,000
2005	70,000
2006	70,000
2007	75,000
2008	80,000
2009	80,000
2010	85,000
2011	5,000
2012	5,000
2013	5,000
2014	5,000
2015	5,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on April 1 and October 1 in each year, beginning April 1, 2001.

Optional Book-Entry-Only System

The successful bidder may elect to have the bonds registered under a book-entry-only system administered through DTC.

Paying Agent and Bond Registrar

Kansas State Treasurer, Topeka, Kansas.

Good Faith Deposit

Each bid shall be accompanied by a good faith deposit in the form of a cashier's or certified check drawn on a bank located in the United States or a qualified financial surety bond in the amount of \$14,216 (2 percent of the principal amount of the bonds).

Delivery

The issuer will pay for printing the bonds and will deliver the same properly prepared, executed and regis-

tered without cost to the successful bidder on or about May 15, 2000, after the date of sale, to DTC for the account of the successful bidder or at such bank or trust company in the contiguous United States as may be specified by the successful bidder, or elsewhere at the expense of the successful bidder.

Assessed Valuation and Indebtedness

The equalized assessed tangible valuation for computation of bonded debt limitations for the year 1999 is \$17,875,731. The total general obligation indebtedness of the issuer as of the date of delivery of the bonds, including the bonds being sold but excluding temporary notes to be retired in conjunction therewith, is \$2,572,300.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., Wichita, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the issuer, printed on the bonds and delivered to the successful bidder when the bonds are delivered.

Additional Information

Additional information regarding the bonds may be obtained from the clerk, (785) 742-7417, fax (785) 742-2880; or from the financial advisor, Stifel, Nicolaus & Company, Inc., 301 N. Main, Suite 1800, Wichita, KS 67202-4800, Attention: Larry McKown, (316) 337-8498.

Dated April 25, 2000.

City of Hiawatha, Kansas

Doc. No. 025144

State of Kansas**Governmental Ethics Commission****Opinion No. 2000-06**

Written March 16, 2000, to Connie Hubbell, Kansas Secretary of Aging, Topeka.

This opinion is in response to your letter dated February 28, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the State level governmental ethics laws (K.S.A. 46-215 *et seq.*). We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 46-215 *et seq.*, and whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you request this opinion in your capacity as Secretary of the Kansas Department on Aging (KDOA). You have explained that your agency is conducting the Governor's Conference on Aging Services (the Conference) on June 13-14, 2000. This Conference will provide an opportunity for persons from all walks of life to gather data, exchange ideas, and discuss issues with presenters, exhibitors and conference attendees. The registration fee for the Conference is \$85.00.

You would like to provide the Governor, the Governor's cabinet members, and all members of the Legislature free registration to the Conference. You have explained that your reason for wishing to provide free

registration to these individuals is to help educate them about issues affecting Kansas elders and the aging process.

Question

May the KDOA provide the Governor, the Governor's cabinet members, and all members of the Legislature free registration to the Governor's Conference on Aging Services?

Opinion

With respect to your providing all members of the Kansas Legislature free access to the Conference, K.S.A. 1999 Supp. 46-237 applies. This statute states in pertinent part:

"(a) No state officer or employee . . . shall accept, or agree to accept any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$40 or more in any calendar year from any one person known to have a special interest, under circumstances where such person knows or should know that a major purpose of the donor is to influence such person in the performance of their official duties or prospective official duties."

"(b) No person with a special interest shall offer, pay, give or make any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$40 or more in any calendar year to any state officer or employee . . . with a major purpose of influencing such officer or employee . . . in the performance of official duties or prospective official duties."

K.S.A. 46-228 defines "special interest" in the following manner:

"'Special interest' means an interest of any person as herein defined (1) concerning action or non-action by the legislature on any legislative matter affecting such person as distinct from affect upon the people of the state as a whole, or (2) in the action or non-action of any state agency or state officer or employee upon any matter affecting such person as distinct from affect upon the people of the state as a whole."

K.S.A. 46-223 defines "person" in pertinent part as:

"'Person' means . . . a governmental agency. . . ."

This Commission has consistently held that gifts given to legislators carry a rebuttable presumption that they are given to influence official action. See Opinions 1977-19, 1991-16, 1991-21, 1991-23, 1992-35, and 1998-02. After careful consideration of the Conference topics and the other information presented, and recognizing the clear public service nature of this Conference, the Commission finds that the KDOA has presented evidence sufficient to rebut the presumption.

Because the KDOA is fulfilling their public service duty, the Commission finds that the KDOA does not have a major purpose of influencing the Legislators in the performance of their official duties or prospective official duties. Therefore, the Commission determines that the KDOA may provide all members of the Legislature free registration to the Conference without violating state governmental ethics laws.

Next, we must address K.S.A. 1999 Supp. 46-237a, which applies to the Governor; the Lieutenant Governor; the Governor's spouse; all classified employees; all members of boards, commissions and authorities of the executive branch of state government; and those unclassified employees in the executive branch whose compensation is subject to approval by the governor pursuant to K.S.A.

75-2935b. K.S.A. 1999 Supp. 46-237a states in pertinent part:

"(b) No person subject to the provisions of this section shall solicit or accept any gift, economic opportunity, loan, gratuity, special discount or service provided because of such person's official position, except:

"(1) A gift having an aggregate value of less than \$40 given at a ceremony or public function where the person is accepting the gift in such person's official capacity; or

"(2) gifts from relatives or gifts from personal friends when it is obvious to the person that the gift is not being given because of the person's official position; or

"(3) anything of value received by the person on behalf of the state that inures to the benefit of the state or that becomes the property of the state; or

"(4) contributions solicited on behalf of a nonprofit organization which is exempt from taxation under paragraph (3) of subsection (c) of section 501 of the internal revenue code of 1986, as amended."

In Opinion number 1997-47, this Commission interpreted subsection (b)(3) and determined that "items received on behalf of the state must benefit the state as a whole rather than any one individual or agency." Because the Governor and the Cabinet members will be gaining valuable information about the health and well-being of Kansas elders and will be able to use this information in order to benefit all the seniors in Kansas when formulating public policy, the registration fee will benefit the state as a whole, and, thus, may be accepted by the Governor and the Cabinet members.

In conclusion, pursuant to K.S.A. 1999 Supp. 46-237, the KDOA may provide the members of the Legislature free registration to the Conference. Pursuant to K.S.A. 1999 Supp. 46-237a, the KDOA may provide the Governor and the Cabinet members free registration to the Conference.

Opinion No. 2000-07

Written March 16, 2000, to Robert G. Suelter, City Attorney, Great Bend.

This opinion is in response to your letter of March 13, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the local conflict of interest law (K.S.A. 75-4301 *et seq.*). We note at the outset that the Commission's jurisdiction concerning your question is limited to the application of K.S.A. 75-4301 *et seq.* Thus, whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you request this opinion in your capacity as City Attorney for the City of Great Bend, Kansas. You have explained that a Great Bend City Council member became aware of a personnel problem in the City's Park Department involving her niece and brought the matter to the attention of the City Administrator. The Assistant City Administrator investigated the matter and then worked with the head of the Park Department to institute disciplinary action. The employee at issue appealed the disciplinary action to the City Administrator who conducted a hearing. The Council member who initially reported this matter attended the hearing and tes-

(continued)

tified. The City Administrator upheld the disciplinary action, and the employee has now appealed the matter to the City Council. The City Council must now determine whether the decision of the City Administrator was arbitrary, capricious or unreasonable and whether there was a factual basis for the decision.

The League of Kansas Municipalities has urged this Council member to participate in and vote on the outcome of the hearing.

Question

May this Council member participate in and vote on the outcome of the hearing?

Opinion

The Council members are governed by the local level conflict of interest laws (K.S.A. 75-4301 *et seq.*). K.S.A. 75-4304 prohibits a local official from participating in her capacity as a local official in the making of contracts in which that official has a substantial interest. It states in pertinent part:

"(a) No local governmental officer or employee shall, in the capacity of such an officer or employee, make or participate in the making of a contract with any person or business by which the officer or employee is employed or in whose business the officer or employee has a substantial interest."

The absolute abstention requirement of K.S.A. 75-4304 is triggered only in situations where the local governmental officer, in the capacity as a governmental officer, makes or participates in the making of a contract with a person or business by which the officer is employed or in whose business the officer has a substantial interest. This Commission has consistently held that K.S.A. 75-4304 does not generally cover legislative decisions or administrative decisions such as those made by planning commissions, boards of zoning appeals, or city councils. (See Commission Opinion 1999-05, 1998-20 and 1994-38.) Because the participation in and voting on this hearing does not involve the "making of a contract," K.S.A. 75-4304 does not prohibit the Council member from taking part in the hearing.

We would note that, while this Council member is not specifically prohibited from participating and voting on this issue, the better course of action would be to abstain from voting so as to avoid the appearance of impropriety.

Opinion No. 2000-08

Written March 16, 2000, to all interested persons.

Pursuant to K.S.A. 25-4159, the Kansas Governmental Ethics Commission takes the opportunity to issue its opinion clarifying the terms "brochure, flier or other political fact sheet" contained in K.S.A. 25-4156(C).

Opinion

K.S.A. 25-4156 states in pertinent part:

"(b) (1) Corrupt political advertising of a state or local office is:

"(C) publishing or causing to be published any brochure, flier or other political fact sheet which expressly advocates the nomination, election or defeat of a clearly identified candidate for a state or local office, unless such matter is followed by the name of the chairperson or treasurer of the political or other organization sponsoring the same or the name of the individual who is responsible therefor.

"The provisions of this subsection (C) requiring the disclosure of the name of an individual shall not apply to individuals making expenditures in an aggregate amount of less than \$2,500 within a calendar year."

The Commission now determines that the terms "brochure, flier or other political fact sheet" does not refer to business cards, yard signs, billboards, bumper stickers, envelopes, t-shirts, pens, pencils, rulers, magnets, or other trinket items. The Commission notes that a fund-raiser invitation, "push" cards, brochure or flier which does not expressly advocate the nomination, election or defeat of a clearly identified candidate is not required to contain the name of the chairperson or treasurer of the organization sponsoring the item.

The following items will be considered a "brochure, flier or other political fact sheet": traditional brochures, fliers, or mailers, "push" cards, door hangers, windshield fliers, post cards, and fund-raiser invitations which expressly advocate the nomination, election or defeat of a clearly identified candidate.

Opinion No. 2000-09

Written March 16, 2000, to Laura Johnson, Deputy Director, Division of Property Valuation, Kansas Department of Revenue, Topeka.

This opinion is in response to your letter of February 23, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the state level conflict of interest laws (K.S.A. 46-215 *et seq.*). We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 46-215 *et seq.*, and whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you are asking for this opinion in your capacity as Deputy Director of the Kansas Department of Revenue's Division of Property Valuation. You have explained that a member of your staff, who is employed to perform appraisals for tax purposes, has questioned whether he may perform a market value appraisal of agricultural land during his non-working hours. You have explained that, although this employee generally does not perform appraisals for the state on agricultural land, if he were to do so, it would be done for tax purposes and would be based upon the use value of the land. In contrast, the market value appraisal in question will be premised on the amount a willing buyer would be willing to pay and the amount a willing seller would be willing to accept.

Question

Is it a violation of the State Governmental Ethics laws for this employee to perform a market value appraisal of agricultural land during his non-working hours?

Opinion

Two statutes apply to the question you have raised: K.S.A. 46-235, which governs restrictions on compensation of state employees, and K.S.A. 46-241, which involves the use of confidential information. Each statute will be addressed in turn.

K.S.A. 46-235 states in pertinent part:

"No state officer or employee shall accept compensation for performance of official duties, other than that to which such person is entitled for such performance. . . ."

Pursuant to this statute, so long as it is not part of this employee's current state duties to perform market value appraisals of agricultural land, K.S.A. 46-235 would not prohibit him from accepting compensation for such an appraisal.

In addition, K.S.A. 46-241 states:

"No state officer or employee shall disclose or use confidential information acquired in the course of his or her official duties in order to further his or her own economic interest or those of any other person."

This section is self-explanatory. Confidential information obtained during this employee's official duties with the state may not be used for his financial gain or the financial gain of another.

Therefore, this employee may perform the market value appraisal in question without violating state governmental ethics laws, provided he does not use any confidential information obtained during his official duties.

Opinion No. 2000-10

Written March 16, 2000, to Mary Lou Davis, Executive Director, Kansas Board of Cosmetology, Topeka.

This opinion is in response to your faxed letter dated February 24, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the State level governmental ethics laws (K.S.A. 46-215 *et seq.*). We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 46-215 *et seq.*, and whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you request this opinion in your capacity as Executive Director of the Kansas Board of Cosmetology. You have explained that Virgo Publishing, Inc., the National Tanning Training Institute (NTTI) and the North American Alliance of Tanning Salon Owners (TSO) are sponsoring the first annual Indoor Tanning Salon Regulatory Conference to be held at the Buttes Resort in Phoenix, Arizona on March 30, 2000 through April 2, 2000. Virgo Publishing, Inc., the publisher of Looking Fit magazine, will assume the full cost of the conference for two state employees to attend this conference. This will include transportation to and from the airport, air fare, hotel accommodations and all meals during the conference. Although there is no specific registration fee listed, Virgo Publishing has informed you that the proportional cost of the meals and expenses for this conference will be between \$120 and \$125 per person.

Question

May Virgo Publishing, Inc. underwrite the expenses associated with attendance at the Conference for State employees subject to the State level governmental ethics laws found in K.S.A. 46-215 *et seq.*?

Opinion

K.S.A. 46-237a applies to the Governor; the Lieutenant Governor; the Governor's spouse; all classified employ-

ees; all members of boards, commissions and authorities of the executive branch of state government; and those unclassified employees in the executive branch whose compensation is subject to approval by the governor pursuant to K.S.A. 75-2935b. Should your Board choose to send two of its employees or Board members to this conference, they would be subject to the restrictions in this statute. Pursuant to K.S.A. 46-237a, these employees would be entirely prohibited from accepting gifts, meals, and travel provided because of their official position, unless one of the four enumerated exceptions applies.

With respect to the airfare, lodging, and transportation costs to and from the airport, subsection (d) would apply. It states in pertinent part:

"(d) No person subject to the provisions of this section shall solicit or accept free or special discount travel or related expenses from a source outside state government, except:

"(2) when the person's presence at a meeting, seminar or event serves a legitimate state purpose or interest and the person's agency authorizes or would authorize payment for such travel and expenses."

Only if the state employee's presence at the Conference serves a legitimate state purpose, and the Board of Cosmetology authorizes or would authorize payment for such travel and expenses, may the employee accept the airfare, lodging, and transportation costs to and from the airport.

With respect to the registration fee for the Conference, subsection (b) applies. It states in pertinent part:

"(b) No person subject to the provisions of this section shall solicit or accept any gift, economic opportunity, loan, gratuity, special discount or service provided because of such person's official position, except:

"(1) A gift having an aggregate value of less than \$40 given at a ceremony or public function where the person is accepting the gift in such person's official capacity; or

"(2) gifts from relatives or gifts from personal friends when it is obvious to the person that the gift is not being given because of the person's official position; or

"(3) anything of value received by the person on behalf of the state that inures to the benefit of the state or that becomes the property of the state; or

"(4) contributions solicited on behalf of a nonprofit organization which is exempt from taxation under paragraph (3) of subsection (c) of section 501 of the internal revenue code of 1986; as amended."

In Opinion number 1997-47, this Commission interpreted subsection (b)(3) and determined that "items received on behalf of the state must benefit the state as a whole rather than any one individual or agency." Because the state employees attending this Conference will be gaining valuable information about the health and well-being of indoor tanning patrons and will be able to share this information with the regulatory board in order to benefit all the indoor tanning patrons of Kansas, the registration fee will benefit the state as a whole, and, thus, may be accepted by these employees.

Opinion No. 2000-11

Written March 16, 2000, to Carmen Evers Sellens, Human Resources Director, Kansas Department on Aging, Topeka.

(continued)

This opinion is in response to your letter of February 7, 2000, received by this office on February 14, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the state level conflict of interest laws (K.S.A. 46-215 *et seq.*). We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 46-215 *et seq.*, and whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you are asking for this opinion in your capacity as Human Resources Director for the Kansas Department on Aging (KDOA). You have informed us that the Outreach Services Director has recently completed her Masters of Sciences Degree in the area of Mental Health Counseling. She is now attempting to complete a specified number of hours in clinical and administration counseling in order to become licensed by the Behavioral Sciences Regulatory Board. In this regard, she would like to accept part-time employment at Parkview Passages training staff on such issues as medication interactions, DSM IV, and training staff about developmental issues of young people ages 13 to 17.

In her position as Outreach Services Director, this employee is responsible for developing educational outreach and partnerships in the areas of mental health for the elderly. A member of your staff has informed us that it is not part of this employee's current state duties to perform the type of work she proposes to perform for Parkview.

Question

Is it a violation of the State Governmental Ethics laws for this employee to work for Parkview as a clinical and administrative counselor?

Opinion

Three statutes apply to the question you have raised: K.S.A. 1999 Supp. 46-233(a), which involves participation in the making of contracts; K.S.A. 46-235, which governs restrictions on compensation of state employees; and K.S.A. 46-241, which involves the use of confidential information. Each of these statutes will be addressed in turn.

K.S.A. 1999 Supp. 46-233 states in pertinent part:

"(a)(1) No state officer or employee shall in the capacity as such officer or employee be substantially involved in the preparation of or participate in the making of a contract with any person or business by which such officer or employee is employed. . . ."

Under this provision, she is prohibited, as a state employee, from being substantially involved in the preparation of, or participating in the making of a contract with a business by which she is employed. Therefore, she would not be permitted, in her capacity as a state employee, to participate in the making of a contract with Parkview. Absent such participation in the making of a contract, this statute would not prohibit her from accepting employment with Parkview.

K.S.A. 1999 Supp. 46-235 states in pertinent part:

"No state officer or employee shall accept compensation for performance of official duties, other than that to which such person is entitled for such performance. . . . The receipt of wages or salary from an individual's non-state employer during a period of service

as a state officer or employee shall not be construed as compensation for performance of official duties."

Pursuant to this statute, so long as it is not part of her current state duties to perform clinical and administration counseling for juveniles, K.S.A. 1999 Supp. 46-235 would not prohibit her from accepting compensation for performing these services for Parkview.

Finally, K.S.A. 46-241 states:

"No state officer or employee shall disclose or use confidential information acquired in the course of his or her official duties in order to further his or her own economic interest or those of any other person."

This section is self-explanatory. Confidential information obtained during her official duties with the state may not be used for her financial gain or the financial gain of another.

In conclusion, K.S.A. 1999 Supp. 46-233(a)(1) does not prohibit her from performing clinical and administration counseling for Parkview, so long as she does not, in her capacity as a state employee, participate in the making of any contracts between the state and Parkview. Pursuant to K.S.A. 46-235, as long as it is not part of her current state duties to perform clinical and administration counseling, she would not be prohibited from accepting compensation for performing these services for Parkview. Finally, confidential information obtained during her official duties with the state may not be used for her financial gain or the financial gain of another.

Opinion No. 2000-12

Written March 16, 2000, to Raymond L. Burns, Ph.D., Valley Falls.

This opinion is in response to your letter dated March 3, 2000, in which you request an opinion from the Kansas Governmental Ethics Commission concerning the State level governmental ethics laws (K.S.A. 46-215 *et seq.*). We note at the outset that the Commission's jurisdiction is limited to the application of K.S.A. 46-215 *et seq.*, and whether some other statutory system, common law theory or agency rule or regulation applies to your inquiry is not covered by this opinion.

Factual Statement

We understand that you request this opinion in your capacity as a member of the Jefferson County Democratic Central Committee (Central Committee) and the Jefferson County Volunteers (Volunteers). You have explained that the Volunteers are hosting the annual Jefferson County Kansas Day Gala (Gala). Although this event is sponsored by the Volunteers, the planning and execution is done by the Central Committee. The Central Committee's checking account is used and the Central Committee absorbs any profit or loss.

Senator Donald E. Biggs has been designated as this year's guest of honor. You informed a member of our staff during a telephone conversation that Senator Biggs has served the people of Jefferson County in many varied ways over the past thirty years, and because of this service, he has been chosen as the guest of honor. Typically, the guest of honor is provided a gift of appreciation valued between \$40 and \$50. This year, a local artist has donated an original water color painting to the Central Committee, and the Central Committee has proposed to

present this piece to Senator Biggs. The artist has set the value of the painting between \$75 and \$125. You have informed us that neither the Central Committee nor the artist have a special interest in the Legislature as defined by K.S.A. 46-228.

Question

May the Central Committee provide Senator Biggs, as the guest of honor for the Gala, with this water color painting as a gift of appreciation for his extended service to Jefferson County?

Opinion

K.S.A. 46-237 applies to unclassified employees not subject to the provisions of K.S.A. 46-237a and to all legislators. It states in pertinent part:

"(a) No state officer or employee . . . shall accept, or agree to accept any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$40 or more in any calendar year from any one person known to have a special interest, under circumstances where such person knows or should know that a major purpose of the donor is to influence such person in the performance of their official duties or prospective official duties."

"(b) No person with a special interest shall offer, pay, give or make any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$40 or more in any calendar year to any state officer or employee . . . with a major purpose of influencing such officer or employee . . . in the performance of official duties or prospective official duties."

K.S.A. 46-228 defines "special interest" in the following manner:

"Special interest" means an interest of any person as herein defined (1) concerning action or non-action by the legislature on any legislative matter affecting such person as distinct from affect upon the people of the state as a whole, or (2) in the action or non-action of any state agency or state officer or employee upon any matter affecting such person as distinct from affect upon the people of the state as a whole."

Three elements must be shown before the prohibitions in these sections apply. First, the value of the gift must be \$40.00 or greater. Second, the person giving the gift must have a special interest in the person accepting the gift. Finally, the person accepting the gift must know or should have known that a major purpose of the donor was to influence such person in the performance of their official duties or prospective official duties. If any element is not met, the restrictions in the statute do not apply.

You have explained that the Central Committee does not have a special interest in the Legislature or the members of the Legislature. In addition, there has been no evidence presented to the Commission to suggest that the Central Committee has a major purpose of influencing this legislator in the performance of his official duties or prospective official duties. Therefore, the Commission determines that the Central Committee may present Senator Biggs with this water color painting as a gift of appreciation for his extended service to Jefferson County.

Daniel Severt
Chairman

Doc. No. 025110

State of Kansas

Social and Rehabilitation Services Department on Aging

Notice of Proposed Nursing Facility Medicaid Rates for State Fiscal Year 2001, Methodology for Calculating Proposed Rates, and Rate Justifications; Notice of Intent to Amend the Medicaid State Plan; Request for Comments; and Notice of Intent to Publish Final Rates

Under the Medicaid program, 42 U.S.C. 1396 *et seq.*, the State of Kansas pays nursing facilities, nursing facilities for mental health, and hospital long-term care units (hereafter collectively referred to as nursing facilities) a daily rate for care provided to residents who are eligible for Medicaid benefits. The Secretary of Aging administers the Medicaid nursing facility services payment program on behalf of the Secretary of Social and Rehabilitation Services. As required by 42 U.S.C. 1396a(a)(13), as amended by Section 4711 of the Balanced Budget Act of 1997, P.L. No. 105-33, 101 Stat. 251, 507-08 (August 5, 1997), the Budget Director for the Kansas Department Social and Rehabilitation Services (SRS) and the Deputy Secretary of Program and Policy for the Kansas Department on Aging (KDOA) are publishing the proposed Medicaid per diem rates for Medicaid-certified nursing facilities for state fiscal year 2001, the methodology underlying the establishment of the proposed nursing facility rates, and the justifications for those proposed rates. SRS and KDOA also are providing notice of the state's intent to submit proposed amendments to the Medicaid State Plan to the U. S. Department of Health and Human Services' Health Care Financing Administration (HCFA) on or before September 30, 2000.

I. Methodology Used to Calculate Medicaid Per Diem Rates for Nursing Facilities. In general, the state uses a prospective, cost-based, facility-specific rate-setting methodology to calculate nursing facility Medicaid per diem rates, including the rates proposed in this notice. The state's rate-setting methodology is contained primarily in the following described documents and authorities and in the exhibits, attachments, regulations or other authorities referenced in them:

A. The following portions of the Kansas Medicaid State Plan maintained by SRS:

1. Attachment 4.19D, Part I, Subpart C, Exhibit C-1, inclusive;
2. Attachment 4.19D, Part I, Subpart E;
3. Attachment 4.19D, Part I, Subpart F; and
4. Attachment 4.19D, Part I, Subpart S (Reserved); and

B. SRS regulations set out in K.A.R. Article 30-10.

Because of the large number of pages needed to reprint all the documents and authorities and the materials incorporated into them by reference, only the text of those portions of the Medicaid State Plan identified above are reprinted in this notice. Those Medicaid State Plan provisions set out in this notice appear in the versions that the state currently intends to submit to HCFA as proposed Medicaid State Plan amendments on or before September 30, 2000. The proposed Medicaid State Plan

(continued)

amendments that the state ultimately submits to HCFA may differ from the versions contained in this notice.

Copies of the documents and authorities containing the state's rate-setting methodology are available upon written request. A request for copies will be treated as a request for public records under the Kansas Open Records Act, K.S.A. 45-215 *et seq.* The state will charge a fee for copies. Written requests for copies should be sent to:

Secretary of Aging
New England Building, 2nd Floor
503 S. Kansas Ave.
Topeka, KS 66603-3404
Fax (785) 296-0767

**A. Attachment 4.19D, Part I, Subpart C, Exhibit C-1:
Methods and Standards for Establishing Payment
Rates; Skilled Nursing and Intermediate Care
Facility Rates (NFs and NFs-MH)
Narrative Explanation of Nursing Facility
Reimbursement Formula**

The narrative explanation of the nursing facility (NF) and NF-mental health (NF-MH) reimbursement formula is divided into nine sections. The sections are: Cost Reports, Rate Determination, Retroactive Rate Adjustments, Case Mix Payment System, Reimbursement Limitations, Real and Personal Property Fee, Incentive Factor, Inflation Factors, and Rate Effective Date.

COST REPORTS

The Nursing Facility Financial and Statistical Report (MS2004) is the uniform cost report. It is included in Exhibit A-5 (K.A.R. 30-10-17). It organizes the commonly incurred business expenses of providers into four reimbursable cost centers (administration, plant operating, room and board, and health care). Ownership costs (i.e., mortgage interest, depreciation, lease and amortization of leasehold improvements) are reported but reimbursed through the real and personal property fee. There is non-reimbursable/nonresident related cost center so that total operating expenses can be reconciled to the providers accounting records.

All cost reports are desk reviewed by agency auditors. Adjustments are made, when necessary, to the reported costs in arriving at the allowable historic costs for the rate computations.

Calendar Year End Cost Reports: All providers not on a projected rate or in the first year of operation are required to file the uniform cost report on a calendar year basis. The requirements for filing the calendar year cost report are found in Exhibit A-5 (K.A.R. 30-10-17).

When a nonarms-length change of provider takes place or an owner of the real estate assumes the operations from a lessee, the facility will be treated as an on-going operation. In this situation, the related provider or owner shall be required to file the calendar year end cost report. The new operator or owner is responsible for obtaining the cost report information from the prior operator for the months during the calendar year in which the new operator was not involved in running the facility. The cost report information from the old and new operators shall be combined to prepare a 12-month calendar year end cost report.

Projected Cost Reports: The filing of projected cost reports are limited to: 1) newly constructed facilities; 2) existing facilities new to the program; 3) new providers

when the rate of the previous provider places the residents care at risk and the rate is less than the statewide average; or 4) a provider re-entering the program who has not actively participated or billed services for 24 months or more. The requirements are found in Exhibit A-5 (K.A.R. 30-10-17).

NOTE: Effective December 29, 1995, the provision for a new provider to file a projected cost report in accordance with number 3 above is revoked. The projected cost report is desk reviewed by agency auditors. Rates from the projected cost reports are subject to upper payment limits.

Historical Cost Report Covering Projected Cost Report Period or the First Year of Operation of a New Provider: The cost report requirements are found in Exhibit A-5 (K.A.R. 30-10-17).

RATE DETERMINATION

Medicaid rates for Kansas NFs and NFs-MH are determined using a prospective, facility-specific rate setting system. The rate is based on the costs from the latest cost report submitted by the provider. The rate is subject to upper payment limits established by the agency for the limitation period. Computer software has been developed and is used for calculating the facility-specific payment rates.

The allowable expenses are divided into four centers in the cost report. The cost centers are Administration, Plant Operating, Room and Board, and Health Care. An owner/administrator limitation is applied in determining the allowable cost. This limitation will be explained in detail in another section of this exhibit.

The allowable historic per diem cost is determined by dividing the allowable resident related expenses in each cost center by resident days, subject to an 85% minimum occupancy rule. The greater of the actual resident days for the cost report period or the 85% minimum occupancy based on the number of licensed bed days during the cost report period are used as the total resident days in the rate calculation. All licensed beds are required to be certified to participate in the Medicaid program.

There are two exceptions to the 85% minimum occupancy rule. The first is that it does not apply to a provider who is allowed to file a projected cost for an interim rate. Both the rates determined from the projected cost report and the historic cost reporting covering the projected cost report period are based on the actual resident days for the period.

The second exception is for the first cost report filed by a new provider who assumes the rate of the previous provider. If the 85% minimum occupancy rule was applied to the previous provider's rate, it is also applied when the rate is assigned to the new provider. However, when the new provider files a historic cost report for the first 12 months of operation, the rate determined from the cost report will be based on actual days and not be subject to the 85% minimum occupancy rule. The rate is applied to the rate when the new provider reports resident days and costs for the 13th month of operation and after.

The allowable historic per diem cost is adjusted by the historic and estimated inflation factors. These inflation factors will be explained in greater detail in another section. The inflated allowable historic per diem cost for each cost center is then compared to the cost center per diem limitation.

The allowable per diem rate is the lesser of the inflated allowable historic per diem cost in each cost center or the cost center per diem limitation. Each cost center has a separate limitation. If each cost center limitation is exceeded, the allowable per diem rate is the sum of the four cost center limitations.

There are add-ons to the allowable per diem rate. The add-ons consist of the incentive factor, the real and personal property fee, and the 24-hour nursing factor. The incentive factor and real and personal property fee are explained in separate sections of this exhibit. The 24-hour nursing factor is explained in Exhibit A-18 (K.A.R. 30-10-29). NOTE: The provision for the 24-hour nursing factor expires for requests received after December 31, 1995. The add-ons plus the allowable per diem rate equal the total per diem rate.

RETROACTIVE RATE ADJUSTMENTS

Retroactive adjustments, as in a retrospective system, are made for the following conditions:

One, a retroactive rate adjustment and direct cash settlement is made when an audit, by the agency, determines that the historic cost report data used to determine the prospective payment rate is in error. The prospective payment rate period is adjusted for the audit corrections.

Two, when a projected cost report is approved to determine an interim rate, a settlement is made after a historic cost report is filed for the same period.

And three, when a new provider, through an arms-length transaction, is reimbursed the rate of the prior provider and files a historic cost report for the first 12 months of operation, a settlement is made based on the difference between the interim rate and the rate from the historic cost report. Please note the change below on January 3, 1994.

All settlements are subject to upper payment limits. A provider is considered to be in projection status when they are operating on a projected rate or the rate of old provider and they are subject to the retroactive rate adjustment.

Effective January 3, 1994:

New providers, on or after January 3, 1994, shall not be considered to be in projection status when they assume the rate of a previous provider. There will be no retroactive settlement for the first 12 months of operation. The rate effective date for the first historical cost report will be the first day of the month following the cost report period. Rates initially paid after the effective date of the rate based on the first historical cost report will be adjusted to the new rate.

For example, a new provider is licensed and certified on March 1, 1994. They assume the rate from the previous provider. They will file the first historic cost report for the period from March 1, 1994 through February 28, 1995.

There will be no settlement for the period from March 1, 1994 through February 28, 1995. The rate effective date from the first historical cost report will be March 1, 1995. Since there is a delay in submitting the cost report and having a rate established, there will be a retroactive rate adjustment from March 1, 1995, until the rate is given to the fiscal agency for payment.

Only providers filing projected cost reports for interim rates will have a retroactive settlement for the historical cost report covering the projected period.

CASE MIX PAYMENT SYSTEM

Kansas is one of four states involved in the National Multistate Nursing Facility Case Mix and Quality Demonstration Project. The case mix payment system was partially implemented in Kansas on January 1, 1994. The case mix rate calculation process will follow a process similar to that used under the current system. However, under the case mix system, the Health Care cost center upper payment limit will be adjusted by a facility average case mix index (CMI).

The theory behind a case mix payment system is that the characteristics of the residents in a facility rather than the characteristics of the facility should determine the payment rate. The idea is that certain resident characteristics can be used to predict future costs to care for residents with those same characteristics. For these reasons, it is desirable to use the case mix classification for each facility in adjusting provider rates.

Providers are required to submit to the agency the uniform assessment instrument for each resident in the facility. In Kansas, the Minimum Data Set (MDS) is the uniform instrument. The MDS assessments have been maintained in a computer database.

Each resident's case mix classification will be determined using the Resource Utilization Group, Version III (RUG III) classification system and the most current MDS assessment, for the appropriate time period, in the database for this resident. From this classification, the numeric value or CMI will be determined. Resident assessments that cannot be classified will be assigned the lowest CMI for the state.

Once each resident has been classified, a case mix normalization process will be performed annually. The purpose of this process is to set the mean CMI for the state to a value of one (1). In order to accomplish this calculation, the case mix indices for all residents in the state are totaled and divided by the number of residents. The value determined in this calculation will then be divided into each resident's CMI. This will result in the table showing the normalized numeric value for each RUGs classification. See Exhibit C-2, Page 8. The average CMI for the state will equal one (1).

Once each resident has been assigned a normalized CMI, the facility average CMI can be calculated. The facility average is determined by adding the CMI for each resident and then dividing by the number of residents.

The next step in the case mix system is to set the limit for the Health Care cost center. This process is slightly different than the method used to set limits for the other cost centers. The base limit will be the upper limit for a case mix of one (1), the statewide average.

Each facility will have its unique Health Care cost center limit. In theory, each facility's cost for resident care is directly related to its CMI. Because of this assumption, one would expect providers caring for residents needing heavier care to incur higher costs. Arraying the facilities' costs and setting limits without adjusting the case mix would result in a less appropriate rate calculation.

Determining the case mix allows the agency to array the facilities' costs and set limits with costs that should be more comparable. The first calculation is to determine what each facility's cost would be at a case mix of one. The technique of adjusting costs for case mix is known as neutralizing the costs.

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Neutralizing costs is done by dividing each facility's per diem costs by its normalization facility average CMI. The CMIs used to normalize the Health Care cost will be the most current MDS assessment in the database as of the last day of the cost report period. This date is used to match as closely as possible the CMI to the time the costs were incurred. When this set of calculations is complete, the neutralized per diem costs are then arrayed and the base upper limit for the Health Care cost center will be calculated using the methodology described for the current system.

Neutralized costs are arrayed weighted by resident days. The median cost is determined. The upper limit is calculated by multiplying the day weighted median by the appropriate add-on percentage.

Each facility's unique upper limit is calculated by multiplying the base limit just established by that facility's normalized CMI. For example, if the normalized case mix index of one (1) results in a base limit of \$40, a facility with a facility average CMI of .9 would have a Health Care cost center upper payment limit of \$36 ($\$40 \times .9$). Likewise, a provider with a facility average CMI of 1.1 would have an upper limit of \$44 ($\40×1.1). The provider would be reimbursed the lower of their inflated Health Care per diem cost or their facility-specific, CMI adjusted, upper payment limit.

Rates will be adjusted quarterly for changes in a facility's average CMI. Since the health care allowance is based on lower of costs or the limit, not all facilities will receive a quarterly rate change. A detailed listing of the computation for the rate change and the CMI listing will be sent to the provider.

Case Mix Implementation January 1, 1994:

The case mix payment was phased in for dates of service from January 1 through June 30, 1994. The provider received 50% of the rate under the previous system and 50% of the rate under the case mix methodology. There was a hold harmless provision for each provider who experienced a rate reduction based on the case mix adjustment for service days from January 1 through June 30, 1994. The rate from the previous methodology was continued if the case mix adjusted rate was less.

Case Mix System Beginning July 1, 1994:

The case mix payment system was fully implemented on July 1, 1994. The rates were no longer adjusted for the phased-in period. Providers received 100% of the case mix adjusted rate. The hold harmless provision was eliminated.

REIMBURSEMENT LIMITATIONS

Period:

The upper payment limits are in effect from July 1 through June 30, unless otherwise specified by a State Plan amendment.

Upper Payment Limitations:

There are two types of upper payment limits. One is the owner/related party/administrator/co-administrator limit. The other is the cost center limits. Each will be described.

Owner/Related Party/Administrator/Co-Administrator Limit:

Since salaries and other compensation of owners are not subject to the usual market constraints, specific limitations are placed on the amounts reported. First,

amounts paid to nonworking owners and directors are not an allowable cost. Second, owners and related parties who perform resident-related services are limited to a salary chart based on the Kansas civil service classifications and wages for comparable positions. Owners and related parties who provide resident-related services on less than a full-time basis have the compensation limited by the percent of their total work time to a standard work week. A work week is defined as 40 hours. The owners and related parties must be professionally qualified to perform services that require licensure or certification.

The compensation paid to owners and related parties shall be allocated to the appropriate cost center for the type of service performed. Each cost center has an expense line for owner/related party compensation. There also is a cost report schedule titled "Statement of Owners and Related Parties." This schedule requires information concerning the percent of ownership (if over five percent), the time spent in the function, the compensation, and a description of the work performed for each owner and/or related party. Any salaries reported in the Plant Operating, Room and Board or Health Care cost centers in excess of the Kansas civil service based salary chart are transferred to the administrative cost center where the excess is subject to the Owner/Related Party/Administrator/Co-Administrator per diem compensation limit.

The Schedule C is an array of nonowner administrator and co-administrator salaries. The schedule includes the most current historic cost reports in the data base from all active nursing facility providers. The salary information is not adjusted for inflation. The per diem data is calculated using an 85% minimum occupancy level for those providers in operation for more than 12 months. The Schedule C for the owner/related party/administrator/co-administrator per diem compensation limit is the first schedule run during the annual limitation setting.

The Schedule C is used to set the per diem limitation for all nonowner administrator and co-administrator salaries and owner/related party compensation in excess of the civil service based salary limitation schedule. The per diem limit for a 50-bed or larger home is set at the 90th percentile on all salaries reported for nonowner administrators and co-administrators. A limitation table is then established for facilities with less than 50 beds. This table begins with a reasonable salary per diem for an administrator of a 15-bed or less facility. A linear relationship is then established between the compensation of the administrator of the 15-bed facility and the compensation of the administrator of a 50-bed facility. The linear relationship determines the per diem limit for the facilities between 15 and 50 beds.

The per diem limits apply to the nonowner administrators and co-administrators and the compensation paid to owners and related parties who perform an administrative function or consultant type of service. The per diem limit also applies to the salaries in excess of the civil service based salary chart in other cost centers that are transferred to the administrative cost center.

Cost Center Limits:

The Schedule B computer run is an array of all per diem costs for each of the four cost centers—Administration, the Plant Operating portion of Property, Room and Board, and Health Care. The schedule includes the most recent historic cost report in the database from all active

nursing facility providers. Projected cost reports are excluded from the database.

The per diem expenses in each cost center are subject to the 85% minimum occupancy rule for providers reporting costs for the 13th month of operation and after. All previous desk review and field audit adjustments are considered in the per diem expense calculations. The costs are adjusted by the owner/related party/administrator/co-administrator limitations.

Prior to the Schedule B arrays, the cost data on certain expense lines is adjusted for historical and estimated inflation, where appropriate. This will bring the costs reported by the providers to a common point in time for comparisons. The historic inflation will be based on the Data Resources, Inc. National Skilled Nursing Facility Market Basket Index (DRI Index) for the cost center limits effective July 1. This historic inflation factor will adjust costs from the midpoint of each providers cost report period to the latest quarterly DRI Index for the Schedule B processing.

The estimated inflation factor also will be based on the DRI Index. Determination of the estimated inflation factor will begin with the quarter the historic inflation ends. It will be continued to the midpoint of the payment limitation period.

Certain costs are exempt from the inflation application when setting the upper payment limits. They include administrators and co-administrator salaries, owner/related party compensation, interest expense, and real and personal property taxes.

The final results of the Schedule B run are the median compilations. These compilations are needed for setting the upper payment limit for each cost center. The median for each cost center is weighted based on total resident days. The upper payment limits will be set using the following:

Administration	115% of the median
Plant Operating (Portion of Property)	130% of the median
Room and Board	130% of the median
Health Care	125% of the median

The overall Property limit requires additional explanation. The implementation of the real and personal property fee (property fee), effective January 1, 1985, revised the method of determining the property limit. Ownership costs (interest, depreciation, lease or amortization of leasehold improvements) are no longer included in the allowable cost when determining the Medicaid rate. The methodology of the overall property limit needed to be revised after the ownership costs were excluded.

Due to the implementation of the property fee, the calculation methodology of the Total Property cost limit has been revised such that changes in ownership (and resulting increases in ownership costs) after July 18, 1984, are not recognized in setting new limits. The change in methodology essentially holds the ownership cost portion of the property limit, effective October 1, 1984, constant. The revised methodology only allows for relative changes in the plant operating costs to influence the total Property cost limit.

The calculation of the Total Property cost limit is as follows:

$$\text{Plant Operating Per Diem Limit from Current Data Base} \\ \text{Minus: } \underline{\text{Plant Operating Per Diem Limit from Prior Data Base}}$$

$$\text{Equal: } \underline{\text{Incremental Change in Total Plant Operating Limit}} \\ \text{Add: } \underline{\text{Total Property Cost Limit from Prior Limitation Period}} \\ \text{Equal: } \underline{\text{Total Property Cost Limit for New Limitation Period}}$$

The skilled nursing facilities and intermediate care facilities became nursing facilities on October 1, 1990. The property cost limit, using the incremental change in Plant Operating costs, was based on the property cost limit from the October 1, 1984, database for skilled facilities. The incremental changes in the Plant Operating costs and the subsequent change in Property cost limits are now determined from the combined Nursing Facility database.

The property fee resulted in a calculation of a provider-specific plant operating limit. The Total Property limit is reduced, on a provider-specific basis, by the amount of the property allowance included in the property fee. In this manner, the nonownership costs are limited by a cost center limit that excludes the ownership cost portion of the Medicaid rate, or the property allowance. The following is the calculation of the Plant Operating Limit:

$$\text{Total Property Cost Limit for Limitation Period} \\ \text{Minus: } \underline{\text{Property Allowance Included in Property Fee}} \\ \text{Equal: } \underline{\text{Plant Operating Cost Center Limit for Limitation Period}}$$

It should be noted that the value factor component of the property fee should not be reduced from the Total Property cost limit to determine the Plant Operating Cost Center Limit. The property fee is explained in greater detail in the following section of this exhibit.

Case Mix Adjustment Effective January 1, 1994:

The upper payment limit for the Health Care cost center limit will be determined based on the case mix adjustment. This adjustment is explained in detail in the Case Mix Payment System section of this narrative.

REAL AND PERSONAL PROPERTY FEE

The real and personal property fee (property fee) was implemented, effective January 1, 1985, pursuant to Kansas Administrative Regulation 30-10-25. It was implemented as a response to the Deficit Reduction Act of 1984 regarding revaluation of assets due to a change in ownership. The property fee satisfies this requirement in that it is the capital reimbursement portion of the Medicaid rate and does not change due solely to a change in ownership. The property fee is facility specific and is in lieu of all depreciation, mortgage interest, lease and amortization of lease expense. The actual ownership costs used to develop the property fee were from the latest cost report for each provider that the agency had processed through July, 1984.

The two components of the property fee are the property allowance and the property value factor. An explanation of each of these follows.

Property Allowance: The four line items of ownership cost (mortgage interest, depreciation, lease and amortization of lease expenses) were added together and divided by resident days to arrive at the ownership cost per diem for each provider. The 85% minimum occupancy rule was imposed on all providers who had been in operation for over 12 months. The ownership per diem cost was reduced proportionately for each provider who had

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total property costs in excess of the 85th percentile limit on the Property Cost Center Limit. This adjustment to the ownership per diem cost was based on the ratio of ownership costs to total property costs, multiplied by the property costs in excess of the cost center limit. The ownership per diem cost minus this adjustment (if any) resulted in the property allowance.

Property Value Factor: The property allowances for all providers were arrayed by level of care and percentiles established. These percentiles became the basis for establishing the property value factor. The five different groupings developed from each array are as follows:

Group #	Percentile Ranking	Add-On Percent
1	-0- through 25th Percentile	45%
2	26th through 50th Percentile	15%
3	51st through 75th Percentile	7.5%
4	76th through 85th Percentile	5%
5	86th through 100th Percentile	0%

Once the percentile groups were established, a weighted average property allowance was calculated for each group. This average property allowance was then multiplied by the add-on percentage to arrive at the property value factor for each group. This add-on percentage is inversely related to the percentile ranking. That is, the lower the percentile ranking, the higher the add-on percentage. The property value factor for each percentile group was then assigned to each provider within that group.

There are two value factor arrays. One array is the Medicare skilled nursing facilities. The other is for nursing facilities that are not certified as Medicare skilled facilities. The value factor is determined based on the classification of the nursing facility and by using the applicable array.

The applicable array applies to the certification of the facility at the time the property fee is established. The value factor does not change with a change in certification. However, if a property fee changes due to a rebasing, then the value factor is based on the array for which the facility is certified at the time the rebasing is effective.

There are two provisions for changing the property fee. One is for a rebasing when capital expenditure thresholds are met (\$25,000 for homes under 51 beds and \$50,000 for homes over 50 beds). The original property allowance remains constant but the additional factor for the rebasing is added. The property fee rebasing is explained in greater detail in Exhibit A-14 (K.A.R. 30-10-25). The other provision is that an inflation factor may be applied to the property fee on an annual basis.

INCENTIVE FACTOR

The incentive factor is a per diem add-on ranging from zero to fifty cents. It is based on the per diem cost of the Administration cost center and the Plant Operating cost center less the real and personal property taxes expense line. The per diem allowance for these two cost centers less property taxes is determined before the owner/related party/administrator/co-administrator limitation is applied.

The incentive is designed to encourage economy and efficiency in the administrative and plant operating cost areas. Property taxes were excluded since the provider

has little control of the cost. There is an inverse relationship between the incentive factor and the per diem cost used to determine it. The higher the per diem cost, the lower the incentive factor.

The Schedule E is an array of the per diem costs that are used to determine the incentive factor. The schedule includes the costs from the most recent historical cost report for all active providers. No projected cost reports are included. The per diem costs are based on the 85% occupancy rule. The costs are not adjusted for inflation.

The Schedule E summarizes all expense lines from the Administration cost center and the Plant Operating cost center, less property taxes. The ownership costs are excluded from the array so that both older facilities (with relatively lower ownership costs) and newer facilities (with relatively higher ownership costs) can benefit from the incentive factor through efficient operations. The Room and Board and Health Care cost centers are excluded from the incentive factor calculation so that providers are not rewarded for cost efficient operations with regard to costs that may jeopardize the direct care of the residents.

The total per diem costs for administration and plant operating, less property taxes, are arrayed and percentiles established. These percentiles then become the basis for establishing the per diem cost ranges used to determine each providers efficiency factor, consistent with agency policy. The ranges are defined as follows:

Provider's Percentile Ranking	Incentive Factor Per Diem
-0- to 30th Percentile	\$.50
31st to 55th Percentile	.40
56th to 75th Percentile	.30
76th to 100th Percentile	-0-

INFLATION FACTORS

Inflation will be applied to the allowable reported costs from the calendar year end cost reports for rates effective July 1. The inflation will be based on the Data Resources, Inc. National Skilled Nursing Market Basket Index (DRI Index). The inflation will be applied from the midpoint of the cost report period to the midpoint of the payment limitation period (December 31). This annual percentage estimate is used consistently throughout the limitation period.

The DRI Indexes listed in the latest available quarterly publication will be used to determine the inflation tables for the payment schedules processed during the payment limitation period. This will require the use of forecasted factors in the inflation table. The inflation tables will not be revised until the next payment limitation period.

For historic cost report periods ending other than the last month in a quarter, the inflation factor to be used in the calculation will be the factor for the quarter in which the cost reporting period ends. For example, a cost report period ended August 31 will receive inflation based on the calculation using the September, third quarter, DRI Index forecast. This approach is being used instead of trying to convert a quarterly index into monthly factors.

The Table A "Inflation for Report Year End Prior to July 1" (Exhibit C-2, page 1) is applied in determining rates with an effective date of July 1. The Table A "Inflation for Report Year Ends After July 1" (Exhibit C-2, page 2) is

applied in determining rates for noncalendar year historic cost reports with rate effective dates other than July 1.

The inflation factor is applied to all costs except the following:

- 1) Administrator and Co-Administrator Salaries
- 2) Owner/Related Party Compensation
- 3) Interest Expense
- 4) Real and Personal Property Taxes

RATE EFFECTIVE DATE

Rate effective dates are determined in accordance with Exhibit A-7 (K.A.R. 30-10-19). The rate may be revised for an add-on reimbursement factor (i.e., rebased property fee or 24-hour nursing), desk review adjustment or field audit adjustment.

B. Attachment 4.19D, Part I, Subpart E:

Reimbursement Rates When Two or More Nursing Facilities Merge Under One License

The Kansas Department of Health and Environment (KDHE) instituted a policy wherein if two nursing facilities meet certain policy criteria, KDHE will issue one license for two facilities. Subpart E will explain the methods and standards for establishing payment rates when two or more facilities are merged under one license.

1. Merged Facilities in Operation Over 12 Months and With Rates From Calendar Year Cost Reports

Providers who have participated in the Medicaid program for 12 months or longer are required to file a calendar year Nursing Facility Financial and Statistical Report (cost report). The cost report is used to determine the rate that is effective the following July 1. The following is how the rates will be determined for two or more nursing facilities that are merged on one license and that have been paid Medicaid rates based on the submission of the calendar year cost reports.

Initial Rates: When multiple facilities are joined on one license, each facility will continue to receive the Medicaid reimbursement rate that was set for each facility. The rates are based on the latest cost report filing. If each facility had filed a calendar year cost report for a rate for the following July 1, they would continue to be paid the separate rates that were effective July 1 following the merger. The provider will bill the fiscal agent using the provider numbers specific to each facility.

For example, two facilities combined under one license on June 1, 1998. Each facility will be paid their separate rates for June 1998 services based on the calendar year 1996 cost reports filed for each. They will be paid their separate rates for services beginning July 1998 through June 1999, based on the calendar year 1997 cost reports filed for each facility.

Subsequent Rates: The provider will file one cost report for the facilities under one license for the calendar year following the merger. The calendar year end cost report will be for 12 months. The cost report will consist of the individual operations of each facility for the first part of the calendar year and the combined operations, after the merger, for the remaining part of the calendar year. This calendar year cost report will be used to set one rate for the facilities under one license on the following July 1. At that time, all but one of the provider numbers

will be deactivated and the remaining provider number will be used for the multiple facilities.

For example, two facilities combined under one license on June 1, 1998. The provider will be required to file one cost report for the period January 1 through December 31, 1998. The cost report will consist of the individual operations of each facility through May 31 and the combined operations of the two from June 1 through December 31, 1998. The cost report will be used to establish one rate for the two nursing facilities effective July 1, 1999.

2. Merged Facilities When One or More is Not on Calendar Year Cost Reporting

A cost report may be filed for a period other than the calendar year when one of the following criteria is met:

There is a recognized change of providers.

A newly constructed facility enters the program.

A facility that has been out of the Medicaid program for two years re-enters.

A facility, which never participated in the Medicaid program, enters.

In these situations, the cost report covers the first 12 months of operation, which may not coincide with the calendar year.

For example, a recognized change of provider is effective March 1, 1998. The first cost report would cover the period from March 1, 1998 through February 28, 1999. The cost report submission would be used to determine the Medicaid rate until the subsequent cost report is filed for the calendar year 1999. The calendar year 1999 submission would determine a rate effective July 1, 2000.

Initial Rates: When multiple facilities are joined on one license and one or more has a cost report submission on other than a calendar year, each facility will continue to receive the Medicaid reimbursement rate that was set for each facility. The rates are based on the latest cost report filing. The provider will bill the fiscal agent using the provider numbers specific to each facility.

For example, two facilities combined under one license on June 1, 1998. Facility A has been filing calendar year cost reports and will be paid a separate rate for June 1998 services based on the calendar year 1996 cost report. Facility A will be paid a separate rate for services beginning July 1998 through June 1999, based on the calendar year 1997 cost report.

Facility B was recognized as a change of provider on March 1, 1998. Facility B received the previous provider's rate based on the calendar year 1996 cost report filed by the previous provider. Facility B will continue to receive rates based on the calendar year 1996 cost report until the first cost report is filed for the period from March 1, 1998 through February 28, 1999. The rate from the first cost report will be effective March 1, 1999. The cost report will be used to set a new rate on July 1, 1999, when the new upper payment limits, incentive ranges and inflation factors are applied.

Subsequent Rates: The provider will file one cost report for Facilities A and B for the first common calendar year reporting following the merger and the first cost report is filed for Facility B. The calendar year end cost report will be for 12 months. The cost report will consist

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of the individual operations of each facility for the first part of the calendar year and the combined operations, after the merger, for the remaining part of the calendar year. This calendar year cost report will be used to set one rate for the facilities under one license on the following July 1. At that time, all but one of the provider numbers will be deactivated and the remaining provider number will be used for the multiple facilities.

Facility A will be required to file a calendar year cost report for the period January 1 through December 31, 1998. The cost report will set the rate for July 1, 1999. Facility B will be required to file a 12-month cost report for the period from March 1, 1998 through February 28, 1999 for new rates.

The first combined cost report for facilities A and B will be for calendar year 1999. It will consist of the individual operations of each facility through February 28, 1999, and the combined operations of the two from March 1 through December 31, 1999. The cost report will be used to establish one rate for the two nursing facilities effective July 1, 2000. At that time, all but one of the provider numbers will be deactivated and the remaining provider number will be used for the multiple facilities.

3. Merged Facilities When One or More Files a Cost Report for the Period Ended December 31 for a Rate Effective on January 1

A cost report will be filed for a period ended December 31 when a change is within one month of the calendar year end and one of the following criteria is met:

- There is a recognized change of providers.
- A newly constructed facility enters the program.
- A facility that has been out of the Medicaid program for two years re-enters.
- A facility, which never participated in the Medicaid program, enters.

The provider files a 12-month historic cost report on the calendar year end if the change above was effective January 1. If the change was effective February 1, an 11-month cost report would be filed for the period ended on December 31. If a change was effective on December 1, a 13-month cost report would be filed for the period ended on the following December 31. The rate effective date of the cost report would be January 1.

The three scenarios below will explain how the rates will be determined if two facilities merged and one or more of the facilities met one of the four criteria above and filed a cost report for a period ended on December 31.

Scenario One: Provider Files 12-Month Cost Report Ending on December 31 for a January 1 Rate:

Two facilities combine under one license on June 1, 1998. Facility A has been filing calendar year cost reports for rates. Facility B was recognized as a change of provider on January 1, 1998.

Initial Rates: Facility A will be paid a separate rate for June 1998 services based on the calendar year 1996 cost report. It will be paid a separate rate for services beginning July 1998 through June 1999, based on the calendar year 1997 cost report.

Facility B received the previous provider's rate for January through December 1998, based on the calendar year 1996 cost report filed by the previous provider. Facility B will continue to receive rates based on the calendar year 1996 cost report until the first cost report is filed for the period from January 1, 1998 through December 31, 1998.

Subsequent Rates: The provider will file a cost report for Facility B for the 12-month period ended December 31, 1998. The cost report would reflect only that facility's first year of operation and would be used to set a rate for January 1, 1999.

The provider will file another combined 12-month cost report for Facilities A and B for calendar year 1998. This calendar year cost report will be used to set one rate for the facilities under one license on July 1, 1999. At that time, all but one of the provider numbers will be deactivated and the remaining provider number will be used for the multiple facilities.

Scenario Two: Provider Files 11-Month Cost Report Ending on December 31 for a January 1 Rate:

Two facilities combine under one license on June 1, 1998. Facility A has been filing calendar year cost reports for rates. Facility B was recognized as a change of provider on February 1, 1998.

Initial Rates: Facility A will be paid a separate rate for June 1998 services based on the calendar year 1996 cost report. It will be paid a separate rate for services beginning July 1998 through June 1999, based on the calendar year 1997 cost report.

Facility B received the previous provider's rate for February through December 1998, based on the calendar year 1996 cost report filed by the previous provider. Facility B will continue to receive rates based on the calendar year 1996 cost report until the first cost report is filed for the 11-month period from February 1, 1998 through December 31, 1998.

Subsequent Rates: Since the change of provider in Facility B is effective February 1, 1998, the first cost report will be filed for the 11-month period from February 1, 1998 to December 31, 1998. The cost report would reflect only that facility's operation for the 11-month period and would be filed to set a rate for January 1, 1999.

A second combined-cost report would be filed for both Facilities A and B for calendar year 1998. It would reflect 12 months of operation for Facility A and 11 months of operation for Facility B. The combined cost report would be used to set a rate for July 1, 1999. At that time, all but one of the provider numbers will be deactivated and the remaining provider number will be used for the multiple facilities.

Scenario Three: Provider Files 13-Month Cost Report Ending on December 31 for a January 1 Rate:

Two facilities combine under one license on June 1, 1998. Facility A has been filing calendar year cost reports for rates. Facility B was recognized as a change of provider on December 1, 1997.

Initial Rates: Facility A will be paid a separate rate for June 1998 services based on the calendar year 1996 cost report. It will be paid a separate rate for services beginning July 1998 through June 1999, based on the calendar year 1997 cost report.

Facility B received the previous provider's rate from December 1997 through December 1998, based on the calendar year 1996 cost report filed by the previous provider. Facility B will continue to receive rates based on the calendar year 1996 cost report until the first cost report is filed for the 13-month period from December 1, 1997 through December 31, 1998.

Subsequent Rates: Since the change of provider in Facility B is effective December 1, 1997, the first cost report will be filed for the 13-month period from December 1, 1997 to December 31, 1998. The cost report would reflect only that facility's operation for the 13-month period and would be filed to set a rate for January 1, 1999.

A second combined cost report would be filed for both Facilities A and B for calendar year 1998. It would reflect 12 months of operation for both Facilities A and B (not a 13-month period for Facility B). The combined cost report would be used to set a rate for July 1, 1999. At that time, all but one of the provider numbers will be deactivated and the remaining provider number will be used for the multiple facilities.

4. Combined Calendar Year Cost Report for Nursing Facilities Merged Under One License

The cost reports will be for the full 12-month calendar year except if the 11-month cost report period applies. The number of beds, resident days, Medicaid days and Medicare days will be the total for the facilities merged under one license. All changes in the number of beds during the calendar year will need to be reflected for the merged facilities.

The working trail balances for the merged facilities will need to be combined to fill out the schedules in the cost report. Schedule A, Expense Statement, shall reflect the total staff hours and the total direct and indirect expenditures for the merged facilities. The total revenue and related revenue offsets in Schedule G, Revenue Statement, shall be the total for the merged facilities. For part of the calendar year, the working trail balance may reflect the independent operations for each facility and then following the merger the working trail balance may be consolidated. The working trail balances shall reconcile to the applicable cost report schedules. A schedule that lists all general ledger accounts grouped by cost report line number shall be submitted with the combined cost report.

5. Resident Days Used in Denominator

The greater of the actual resident days reported for the merged facilities or days calculated at the 85% minimum occupancy will be used in the denominator of the rate calculation. If the 85% occupancy rule does not apply during the first 12 months of operation of a facility, then actual days will be used for that facility for the period that the rule does not apply. A merged facility is not treated as being in the first 12 months of operation if the provider had operated the independent facilities previously. If only one of the facilities did not have the 85% occupancy rule applied then the provider will need to report the number of beds and resident days separate for that facility so that the available bed days for the merged facilities can be determined.

6. Real and Personal Property Fee (Property Fee) for Merged Facilities

The data elements in the most current property fee for each facility will be merged to determine the combined property fee for the facilities merged under one license. The resident days reflected in the Real and Personal Property Fee Component summary for each facility will be totaled. For example, if Facility A has 10,000 resident days reflected and Facility B has 15,000 days, the total days will be 25,000.

Each of the four expense components (interest, depreciation, rent/lease and amortization of leasehold improvements) will be summed for the facilities merged. The total of the four expense components will then represent the total property fee expenses for the merged facilities.

The property allowance will be based on the weighted average of the merged facilities. For example, Facility A has a property allowance of \$4.00 per day and the current Real and Personal Property Fee Component line reflects 10,000 resident days, and Facility B has a property allowance of \$5.00 per day and 15,000 resident days. The weighted average property allowance will be \$4.60 ($\$4 \times 10,000 \text{ days} + \$5 \times 15,000 = \$115,000/25,000 \text{ total days} = \4.60).

The value factor will be based on the Medicare per diem property allowance ranges if all or part of the merged facilities is certified to participate in the Medicare skilled nursing facility program. If none of the merged facilities is Medicare certified, then the Nursing Facility per diem ranges are used. In the example above, if one of the facilities was Medicare certified, the value factor would be \$.34 for a total property fee of \$4.94. If both facilities were not Medicare certified, the property value factor would be zero and the total property fee would be \$4.60.

7. Resident Assessments and Case Mix Index

The resident assessment database, based on the minimum data set (MDS), for the facilities merged under one license will be combined beginning with the first quarter after the merger. The facilities will continue to receive separate rates until after the common calendar year cost report is received for a July 1 rate. However, the case mix index will be the same for the facilities when determining rates after the MDS data base for each facility are merged in the first quarter after the facilities are under a combined license.

8. Rates for Facilities Under One License if They Later Decide to Go Back to Separate Licenses

Cost Reports and Rates: If two or more facilities merge under one license and later decide to go back to individual licenses, they will keep the merged rate until a calendar year cost report can be filed for a July 1 rate. For example, if two facilities that were merged under one license decide to have separate licenses on September 1, 1999, the two facilities will be required to submit separate calendar year 1999 cost reports for each facility. The provider shall document how costs and revenues are allocated to each of the facilities during the period the financial statements were combined.

When the two facilities are under separate licenses, the provider number that was deactivated when the facilities merged will be reactivated. Initially, both facilities will

(continued)

have the same rate. The calendar year 1999 cost report will be used to determine rates for each facility on July 1, 2000.

Real and Personal Property Fees: If two or more facilities that are merged under one license later decide to split and have individual licenses within five years, the old property fees will be reassigned to the individual facilities. The additional allowance for a property fee rebasing after the property fees were combined would be added to the individual property allowances after the facilities split. The two facilities used in the combining of property fees above had a property fee of \$4.60. As an example, if a property fee rebasing took place later that added \$.50, the property fee will be \$5.10. If Facilities A and B split before five years, the property fee for Facility A will be \$4.50 (\$4.00 + \$.50) and the property fee for Facility B will be \$5.50 (\$5.00 + \$.50).

If the facilities decide to split and go back to individual licenses after five years, each facility will continue to have the same property fee as determined when they merged.

Resident Assessments and Case Mix Index: If the two facilities later decide to split into separate licenses, the MDS database will be maintained for the individual facilities beginning the first quarter after the facilities have separate licenses.

**C. Attachment 4.19D, Part I, Subpart F:
Reimbursement for Nursing Facilities With
Over 199 Beds**

Nursing facilities (NFs) with over 199 beds, who are reimbursed on the basis of a projected or historical cost report, shall be limited by an overall total rate approved by the secretary of the agency.

The rate shall be reasonable and adequate to meet the costs that must be incurred by efficiently- and economically-operated facilities. Special level of care groups are only established when the characteristics of the facilities or residents are so unique that reimbursement under the usual methods and standards for establishing payment rates for NFs are not reasonable or adequate.

The following parameters shall be used in setting rates for NFs with over 199 beds:

1. They are required to submit the uniform Nursing Facility Financial and Statistical Report in accordance with Exhibit A-5 (K.A.R. 30-10-17). The treatment of allowable and nonallowable costs are consistent for all NFs, regardless of size.

2. The per diem rates are determined by applying the 85 percent minimum occupancy rule, administrator/co-administrator/owner/related party compensation limits, inflation factors and the incentive factors, as applied to all NFs, regardless of size.

3. The rates are held to the upper payment limits for the Administration, Property, and Room and Board cost centers. They are not held to the upper payment limit for the Health Care cost center.

4. The property reimbursement (real estate interest, depreciation, lease and amortization of leasehold improvements) is based on the real and personal property fee. The overall property limit established for NFs with less than 200 beds is applied to these facilities. The payment methodology is not reasonably expected to result in

an increase in payments based solely on a change of ownership in excess of what would be allowed for any other NF.

5. The payment rate cannot exceed the private pay rate for comparable services. The related requirements in Exhibit A-6 (K.A.R. 30-10-18) shall be followed.

6. The rates are not expected to pay more in the aggregate for NF services than the amount that the agency estimates would be paid under the Medicare principles of reimbursement.

7. Rates for the facilities are determined at least annually based on submissions of the uniform cost report.

**D. Attachment 4.19D, Part I, Subpart S:
Minimum Wage Per Diem Pass-Through**

The minimum wage per diem pass-through was fully phased in as of July 1, 1999. This section of the Medicaid State Plan is reserved.

**II. Proposed Medicaid Per Diem Rates for Kansas
Nursing Facilities.**

A. Cost Center Limitations. The state proposes to establish the following cost center limitations that are used in the rate-setting process:

Administration:	Median Cost + 15%	\$14.20 per day
Property:	(Plant Operating Median Cost + 30%)	\$11.88 per day
Room & Board:	Median Cost + 30%	\$23.32 per day
Health Care (for a Case Mix Index of 1.0):	Median Cost + 25%	\$67.81 per day

These amounts were determined according to the "Reimbursement Limitations" section set out above in Section I.A. of this notice.

B. Case Mix Index. These proposed rates are based upon each nursing facility's average Case Mix Index (CMI) calculated with a cutoff date of April 1, 2000, using the July 1, 2000 normalized table. In Section II.C., below, each nursing facility's average CMI is listed beside its proposed per diem rate. In accordance with the methodology described above, the final rates (to be published after the public comment period) will be based upon each nursing facility's average CMI calculated with a cutoff date of May 1, 2000.

**C. Proposed Nursing Facility Per Diem Rates and
CMI.**

Facility Name	City	Proposed Daily Rate	CMI
Abilene Health Center	Abilene	66.63	0.91
Highland Care Home	Abilene	58.72	0.92
Alma Manor	Alma	96.19	0.89
Andover Health Care Center	Andover	91.90	1.07
Friendship Manor of Anthony	Anthony	94.47	1.20
Arkansas City Presbyterian Manor	Arkansas City	100.24	0.98
Medicalodge East Healthcare Center	Arkansas City	100.27	1.53
Medicalodge Post Acute & Rehab Center	Arkansas City	102.95	1.06
Infinia at Arma	Arma	101.10	1.68
Ashland Health Center — LTCU	Ashland	96.61	0.84
Atchison Hospital SNF	Atchison	101.05	0.88
Atchison Senior Village	Atchison	90.34	0.89
Dooley Center	Atchison	86.55	0.87
Medicalodge of Atchison	Atchison	95.59	1.11
Attica Long Term Care	Attica	88.14	0.99
Atwood Good Samaritan Center	Atwood	92.21	0.87
Augusta Medical Complex	Augusta	82.60	0.92
Lake Point Nursing Center	Augusta	86.21	1.01
Baldwin Care Center	Baldwin City	89.77	1.12
Quaker Hill Manor	Baxter Springs	83.30	0.94

Facility Name	City	Proposed Daily Rate	CMI	Facility Name	City	Proposed Daily Rate	CMI
Spring Valley Care Center	Baxter Springs	84.64	1.23	Galena Nursing & Rehabilitation	Galena	74.52	1.23
Belleville Health Care Center	Belleville	83.19	1.03	Garden Valley Retirement Village	Garden City	96.67	1.07
Republic County Hospital-LTCU	Belleville	102.81	0.97	Terrace Garden Care Center	Garden City	99.46	1.14
The Lutheran Home	Belleville	68.49	0.91	Great Plains Hospital & Health C	Gardner	167.89	1.79
Hilltop Lodge Nursing Home	Beloit	74.51	0.94	Medicalodge of Gardner	Gardner	102.13	0.96
Mitchell County Community Hospital	Beloit	98.98	0.93	Anderson County Hospital	Garnett	96.34	0.94
Great Plains Rehab & Nursing Ctr	Bonner Springs	80.63	1.10	Golden Heights Living Center	Garnett	82.11	1.16
Hill Top House	Bucklin	86.66	0.95	The Heritage	Girard	68.49	0.96
Buhler Sunshine Home, Inc.	Buhler	96.20	0.92	The Nicol Home, Inc.	Glasco	82.04	0.86
Santa Fe Trails Nursing Home	Burlingame	79.55	1.20	Medicalodge of Goddard	Goddard	103.82	1.29
Life Care Center of Burlington	Burlington	86.20	1.12	Bethesda Home	Goessel	108.76	1.02
Beverly Health & Rehab of Caldwell	Caldwell	73.97	1.05	Sherman Co. Good Samaritan Center	Goodland	90.19	1.00
Caney Nursing Center	Caney	63.48	1.04	Central Kansas Medical Center	Great Bend	103.22	1.11
Shiloh Manor of Canton, Inc.	Canton	86.71	0.91	Cherry Village	Great Bend	88.35	0.96
Cedarvale Manor	Cedarvale	67.43	0.82	Integrated Health Services of Great Bend	Great Bend	89.49	1.10
Eastridge	Centralia	86.87	0.99	Washington Cnty Hosp. Dist.#1/ Hanover	Hanover	84.08	0.92
Applewood Rehabilitation	Chanute	62.90	0.66	Friendship Manor Rehab Ctr of Haviland	Haviland	67.84	0.58
Heritage Health Care Center	Chanute	78.19	1.13	Hays Good Samaritan Center	Hays	93.60	0.96
Park Place Healthcare & Rehab Center	Chanute	82.95	1.07	Hays Medical Center	Hays	191.58	2.14
Chapman Valley Manor	Chapman	78.09	0.95	St. John's of Hays	Hays	89.09	0.92
Cheney Golden Age Home Inc.	Cheney	88.89	0.98	Prestige Rehab & Nursing Center	Haysville	98.88	1.14
Sunny Acres of Cherryvale	Cherryvale	80.93	0.97	Herington Municipal Hospital	Herington	112.33	1.19
Chetopa Manor	Chetopa	72.05	1.02	Lutheran-Home, Inc.	Herington	77.88	0.91
The Shepherd's Center	Cimarron	87.80	1.04	Schowalter Villa	Hesston	112.93	0.95
Clay Center Presbyterian Manor	Clay Center	104.09	1.00	Maple Heights of Hiawatha	Hiawatha	76.78	0.89
Medicalodge of Clay Center	Clay Center	85.89	1.07	Oak Ridge Acres	Hiawatha	68.75	1.07
Ninnescah Manor	Clearwater	98.29	0.94	Highland Care Center	Highland	80.00	1.32
Estelle's Nursing Home	Clifton	57.49	0.83	Dawson Place, Inc.	Hill City	79.19	0.93
Park Villa Nursing Home	Clyde	74.81	0.92	Hillsboro Community Medical Center	Hillsboro	96.75	0.90
Coffeyville Regional Medical Center	Coffeyville	150.92	1.73	Parkside Homes, Inc.	Hillsboro	87.51	1.10
Great Plains Rehab & Nursing-Coffeyville	Coffeyville	85.97	0.85	Hoisington Rehabilitation Center	Hoisington	80.76	0.88
Medicalodge East of Coffeyville	Coffeyville	90.85	0.94	Holton Manor	Holton	71.08	0.85
Windsor Place	Coffeyville	84.57	1.23	Jackson Co. Nursing Home, Inc.	Holton	78.69	0.92
Citizens Medical Center	Colby	110.33	0.93	Tri-County Manor Living Center	Horton	75.19	0.96
Lantern Park Manor	Colby	73.90	1.03	Howard Twilight Manor	Howard	83.72	1.01
Pioneer lodge	Coldwater	84.27	0.91	Sheridan County Hospital	Hoxie	88.44	0.98
Medicalodge of Columbus	Columbus	110.79	1.35	Pioneer Manor	Hugoton	110.03	0.92
Colwich Health Center, Inc.	Colwich	78.18	1.10	Pinecrest Nursing Home	Humboldt	72.76	0.94
Beverly Health & Rehab of Concordia	Concordia	73.54	1.03	Golden Plains	Hutchinson	98.05	1.08
Mt Joseph Senior Community, Inc.	Concordia	85.20	1.00	Hutchinson Good Samaritan Center	Hutchinson	98.27	1.07
Sunset Nursing Center	Concordia	90.76	1.43	Oakwood Rehabilitation	Hutchinson	72.24	1.09
Spring View Manor	Conway Springs	77.48	0.89	Ray E. Dillon Living Center	Hutchinson	97.24	0.95
Chase County Nursing Home	Cottonwood Falls	78.13	0.89	Silver Oaks Health Center	Hutchinson	73.48	0.99
Twin Lake Healthcare Center	Council Grove	76.33	1.00	Wesley Towers	Hutchinson	114.51	1.04
Hilltop Manor	Cunningham	75.99	0.91	Glenwood Estate	Independence	71.40	0.97
Westview Manor, Inc.	Derby	91.72	0.99	Manor Nursing Home	Independence	70.98	1.03
Grouse Valley Manor	Dexter	76.12	0.89	Mercy Health System of Kansas, Inc.	Independence	120.29	1.93
Lane County Hospital — LTCU	Dighton	91.57	0.69	The Lodge at Independence	Independence	80.59	0.92
Dodge City Good Samaritan Center	Dodge City	96.63	1.07	Pleasant View Home	Inman	90.57	0.90
Manor of the Plains	Dodge City	99.81	1.01	Countryside Estates	Iola	76.52	1.03
Trinity Manor	Dodge City	97.71	0.95	Cheyenne Lodge, Inc.	Jamestown	75.34	0.94
Medicalodge of Douglass	Douglass	97.79	1.09	Hodgeman Co Health Center - LTCU	Jetmore	110.67	1.00
Downs Nursing Center	Downs	82.52	0.99	Stanton County Hospital- LTCU	Johnson	117.47	1.00
Country Care Home	Easton	77.16	1.03	Junction City Good Samaritan Center	Junction City	88.21	1.12
Edwardsville Convalescent Center	Edwardsville	87.34	1.21	Valley View Professional Care Center	Junction City	74.01	0.83
Edwardsville Manor	Edwardsville	80.88	0.81	Alzheimer's Center of Kansas City	Kansas City	110.98	0.95
Parkway Care Center	Edwardsville	88.37	1.12	Kansas City Presbyterian Manor	Kansas City	117.61	1.12
Beverly Health & Rehab of El Dorado	El Dorado	80.66	1.14	Medicalodge East of Kansas City	Kansas City	112.97	1.03
Knutson Manor Nursing Home	El Dorado	77.34	0.92	Medicalodge Post Acute Care Center	Kansas City	112.27	1.39
Morton County Hospital	Elkhart	105.46	0.96	The Manor of Kansas City	Kansas City	91.92	1.12
IHS of Woodhaven	Ellinwood	84.85	1.00	Prairie Haven Nursing Center	Kensington	60.66	0.90
Ellis Good Samaritan	Ellis	90.46	1.01	The Wheatlands	Kingman	82.87	0.96
Good Samaritan Center - Villa Gr	Ellsworth	104.14	1.17	Medicalodge of Kinsley	Kinsley	96.47	0.85
Good Samaritan Center - Villa Ho	Ellsworth	85.94	0.95	Kiowa Hospital District Manor	Kiowa	103.27	0.88
Emporia Presbyterian Manor	Emporia	101.26	0.99	Rush Co. Healthcare Center	La Crosse	89.07	0.83
Emporia Rehabilitation Center	Emporia	68.24	1.26	Rush County Nursing Home	Lacrosse	94.31	1.20
Royal Crest Living Center of Emporia	Emporia	76.23	1.02	High Plains Retirement Village	Lakin	114.53	1.12
Vintage Manor	Emporia	81.09	0.98	Colonial Manor — Lansing	Lansing	86.77	1.20
Enterprise Estates Nursing Center	Enterprise	73.17	0.96	Larned Healthcare & Living Center	Larned	85.78	1.25
Heritage Village-Eskridge	Eskridge	71.08	0.70	Brandon Woods, Inc.	Lawrence	99.24	1.17
Eudora Nursing Center	Eudora	81.31	0.96	Colonial Manor-Lawrence	Lawrence	74.42	1.03
Medicalodge of Eureka	Eureka	92.49	1.05	Lawrence Presbyterian Manor	Lawrence	119.92	1.16
Florence Health Care	Florence	65.77	0.81	Southwinds Rehabilitation & Care	Lawrence	99.16	1.09
Fort Scott/Marmaton Valley	Fort Scott	75.50	1.16	Leavenworth Co Convalescent Infi	Leavenworth	88.32	1.01
Medicalodge of Ft. Scott	Fort Scott	103.99	1.03	Medicalodge of Leavenworth	Leavenworth	103.52	1.10
Mercy Hospital of Kansas - Ft. Scott	Fort Scott	141.25	1.35	Delmar Gardens of Lenexa, Inc.	Lenexa	96.19	1.05
Fowler Nursing Home	Fowler	88.10	0.81	Leonardville Home	Leonardville	71.30	1.00
Frankfort Community Care Home	Frankfort	91.73	0.93	Wichita County Health Center	Leoti	110.30	0.97
Beverly Health & Rehab of Fredonia	Fredonia	85.10	1.18	Liberal Good Samaritan Center	Liberal	93.97	0.95
Sunset Manor, Inc	Frontenac	78.51	0.92				
Barker Rest Home	Galena	53.45	1.20				

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Facility Name	City	Proposed Daily Rate	CMI	Facility Name	City	Proposed Daily Rate	CMI
Lincoln County Hospital LTCU	Lincoln	113.36	0.96	Phillips County Retirement Center	Phillipsburg	72.47	0.87
Mid-America Health Care	Lincoln	81.68	0.97	Beverly Healthcare Pittsburg	Pittsburg	81.48	1.09
Bethany Home Association	Lindsborg	100.11	0.85	Medicalodge North of Pittsburg	Pittsburg	90.32	1.11
Linn Community Nursing Home	Linn	69.68	0.88	Medicalodge South of Pittsburg	Pittsburg	88.86	1.19
Sandstone Heights	Little River	81.76	0.94	Mt. Carmel Medical Center	Pittsburg	170.66	2.11
Logan Manor Community Health Ser	Logan	72.47	0.89	Rooks County Home	Plainville	95.08	0.93
Louisburg Care Center	Louisburg	93.04	1.00	Friendship Manor of Pratt	Pratt	82.27	1.06
Beverly Health & Rehab of Lucas	Lucas	82.43	1.00	Pratt Regional Medical Center	Pratt	99.05	0.93
Lyons Good Samaritan Center	Lyons	92.27	0.98	Prescott Country View Nursing Home	Prescott	64.47	0.84
Madison Manor, Inc.	Madison	75.75	0.85	Protection Valley Manor	Protection	70.53	0.77
Meadowlark Hills Retirement Comm	Manhattan	103.39	1.14	Gove County Medical Center	Quinter	96.34	0.96
St. Joseph Senior Community, Inc.	Manhattan	89.23	1.16	Grisell Memorial Hosp Dist #1	Ransom	101.44	0.98
Stoneybrook Retirement Community	Manhattan	94.49	1.04	Oak Haven Nursing Center	Richmond	74.71	0.87
Wharton Manor	Manhattan	93.94	1.05	Heritage Village of Rose Hill	Rose Hill	81.38	0.97
Jewell County Hospital	Mankato	93.12	0.90	Adult Living Center	Rossville	87.14	0.98
Marion Manor	Marion	80.06	1.02	Gatewood Care Center	Russell	64.89	0.68
St. Luke Living Center	Marion	86.20	0.96	Wheatland Nursing & Rehab Center	Russell	88.13	0.98
Riverview Estates, Inc.	Marquette	78.34	0.91	Apostolic Christian Home	Sabetha	80.21	0.95
Cambridge Place	Marysville	89.86	1.22	Sabetha Manor	Sabetha	88.26	0.94
Community Memorial Hospital — LTCU	Marysville	88.81	0.91	Great Plains Rehab & Nursing Cnt	Salina	96.70	1.08
Infinia at McPherson	McPherson	73.47	1.08	Kenwood View Nursing Center	Salina	84.21	0.98
The Cedars, Inc.	McPherson	102.40	0.98	Royal Crest Living Center of Salina	Salina	98.97	1.22
Lone Tree Retirement Community	Meade	87.96	0.95	Salina Presbyterian Manor	Salina	104.24	1.05
Cedar Crest Manor	Medicine Lodge	96.80	0.92	Shalimar Health Center	Salina	65.67	0.87
Trinity Lutheran Manor	Merriam	114.85	1.15	Smokey Hill Rehabilitation Center	Salina	88.48	1.12
Minneapolis Good Samaritan Center	Minneapolis	93.27	1.02	Windsor Estates	Salina	88.28	0.98
Ottawa County Hospital-LTCU	Minneapolis	73.62	0.98	Satanta Dist. Hosp. LTCU	Satanta	122.28	1.07
Minneola Nursing Home	Minneola	104.72	1.04	Park Lane Nursing Home	Scott City	90.49	0.89
Elk Manor Home	Moline	81.59	0.90	Pleasant Valley Manor	Sedan	74.86	1.07
Bethel Home, Inc.	Montezuma	83.68	0.95	Sedgwick Healthcare Center	Sedgwick	100.07	1.11
Moran Manor	Moran	81.68	1.04	Country View Estates Care Home	Seneca	71.53	1.01
Crystal Care Center of Mound City	Mound City	73.65	1.15	Crestview Manor	Seneca	59.78	1.06
Memorial Home for the Aged	Moundridge	109.06	0.98	Prairie Manor Good Samaritan	Sharon Springs	88.64	1.18
Moundridge Manor, Inc.	Moundridge	73.59	0.77	Sharonlane Nursing Home	Shawnee	99.94	1.24
Mt. Hope Nursing Center	Mt. Hope	87.14	0.90	Shawnee Gardens Nursing Center	Shawnee	103.95	1.07
Villa Maria, Inc.	Mulvane	98.28	1.01	Infinia at Smith Center	Smith Center	77.20	1.00
Beverly Health & Rehab of Neodesha	Neodesha	81.54	0.87	Smith County Memorial Hosp-LTCU	Smith Center	89.89	0.96
Golden Keys Home	Neodesha	45.33	0.89	Mennonite Friendship Manor, Inc.	South Hutchinson	104.30	1.08
Ness County Hospital Dist.#2	Ness City	87.27	0.84	Beverly Hlth & Rehab Cntr of Spring Hill	Spring Hill	97.14	1.19
Bethel Care Centre	Newton	99.98	1.11	Good Samaritan Village	St. Francis	91.58	0.94
Friendly Acres, Inc.	Newton	119.39	1.13	Hearthstone Nursing Center #192	St. John	76.57	1.14
Kansas Christian Home	Newton	110.64	0.90	Community Hospital Onaga, Inc.	St. Mary's	91.40	0.97
Newton Presbyterian Manor	Newton	115.58	1.11	Prairie Mission Retirement Villa	St. Paul	93.73	0.93
Manorcare Health Services of Wichita	North Wichita	93.55	1.06	Leisure Homestead Association	Stafford	69.16	0.90
Andbe Home, Inc.	Norton	86.25	0.86	Sterling Presbyterian Manor	Sterling	96.12	1.16
Village Villa	Nortonville	78.48	1.26	Solomon Valley Manor	Stockton	82.83	1.00
Norwich Care Center, Inc.	Norwich	86.37	0.86	Hamilton Co. Hospital LTCU	Syracuse	101.52	0.82
Oakley Manor	Oakley	66.98	1.00	Tonganoxie Nursing Center	Tonganoxie	87.67	0.98
Decatur Co. Good Samaritan Center	Oberlin	85.72	0.89	Aldersgate Village	Topeka	119.58	1.03
Decatur County Hospital	Oberlin	87.02	0.92	Brewster Place	Topeka	119.65	1.09
Great Plains Rehab and Nursing Center	Olathe	94.91	1.05	Brighton Place North	Topeka	63.15	0.62
Johnson County Nursing Center	Olathe	118.31	1.02	Countryside Health Center	Topeka	68.24	0.63
Olathe Good Samaritan Center	Olathe	110.96	1.02	Eventide Convalescent Center, Inc	Topeka	80.15	0.86
Royal Terrace Nrsng. & Rehab. Center	Olathe	100.23	1.18	Fairlawn Heights Nursing Center	Topeka	92.88	1.09
Villa St. Francis	Olathe	116.91	1.18	IHS at Highland Park	Topeka	94.58	1.01
Golden Acres	Onaga	81.49	1.06	IHS of Brighton Place	Topeka	69.15	0.62
Osage Nursing & Rehabilitation Center	Osage City	79.33	1.05	Indian Trails Manor	Topeka	62.60	0.69
Peterson Nursing Home	Osage City	68.75	1.08	Infinia Health Care at Central	Topeka	80.40	1.39
Heritage Manor of Osawatomie	Osawatomie	116.48	1.26	Manorcare Health Services of Topeka	Topeka	101.86	1.01
Parkview Care Center	Osborne	83.31	0.94	McCrite Plaza Health Center	Topeka	98.85	1.13
Hickory Pointe Care & Rehab Ctr	Oskaloosa	90.36	0.97	Plaza West Care Center, Inc.	Topeka	104.66	1.18
Infinia at Oswego	Oswego	83.98	1.04	Rolling Hills Health Center	Topeka	102.05	1.26
Village Manor	Ottawa	86.30	1.29	Southgate Village Life Care Center	Topeka	87.42	1.13
Brookside Manor	Overbrook	103.87	0.99	The United Methodist Homes	Topeka	108.56	1.89
Delmar Gardens of Overland Park	Overland Park	101.27	1.32	Topeka Convalescent Center	Topeka	92.36	1.25
Indian Creek Nursing Center	Overland Park	106.52	1.17	Topeka Healthcare Center	Topeka	96.42	1.39
Life Care Center of Overland Park	Overland Park	99.03	1.04	Topeka Presbyterian Manor Inc.	Topeka	110.63	1.10
Manorcare Hlth Services of Overland Park	Overland Park	110.24	1.23	Westwood Manor	Topeka	69.58	0.92
Overland Park Manor	Overland Park	117.29	1.21	Woodland Health Center	Topeka	78.21	0.96
Specialty Hospital of Overland Park	Overland Park	112.18	0.97	Greeley County Hospital, LTCU	Tribune	106.19	0.88
Villa Saint Joseph	Overland Park	123.84	1.14	Western Prairie Care Home	Ulysses	116.17	0.98
Riverview Manor, Inc.	Oxford	79.43	0.96	Valley Health Care Center	Valley Falls	74.03	0.68
Country Haven Nursing Center	Paola	98.39	1.02	St. John's Rest Home of Victoria	Victoria	81.30	0.88
Medicalodge of Paola	Paola	76.73	0.65	The Lutheran Home — WaKeeney	WaKeeney	73.92	0.87
Elmhaven East	Parsons	68.79	1.21	Trego Co. Lemke Memorial LTCU	WaKeeney	102.58	0.93
Elmhaven West	Parsons	69.02	1.10	Wakefield Rehabilitation Center	Wakefield	74.39	0.87
Parsons Good Samaritan Center	Parsons	85.76	1.13	Valley Vista Good Samaritan Center	Wamego	90.88	1.06
Parsons Presbyterian Manor	Parsons	97.13	1.23	The Centennial Homestead, Inc.	Washington	64.12	0.90
Peabody Community Living Center	Peabody	100.29	1.08	Colonial Manor — Wathena	Wathena	85.16	0.98
Westview Manor of Peabody	Peabody	64.23	0.64	Sunset Manor	Waverly	88.38	0.88
Phillips County Hospital LTCU	Phillipsburg	104.86	0.99	Beverly Health & Rehab of Wellington	Wellington	78.44	0.97

Facility Name	City	Proposed Daily Rate	CMI
Cedar View Good Samaritan Center	Wellington	102.94	1.00
Wellsville Manor Care Center	Wellsville	93.85	1.47
Westy Community Care Home	Westmoreland	78.80	0.92
Wheat State Manor	Whitewater	95.41	1.04
Briarwood Nursing Center	Wichita	87.56	0.99
Cameo Care Center	Wichita	84.72	0.83
Catholic Care Center Inc.	Wichita	99.18	1.00
Christ Villa Nursing Home	Wichita	89.16	1.01
Homestead Health Center, Inc.	Wichita	94.02	0.98
Horizon Specialty Hospital	Wichita	109.89	1.21
IHS of Wichita	Wichita	99.44	1.18
Kansas Masonic Home	Wichita	120.41	1.16
Lakewood Heights Nursing Center	Wichita	83.73	1.16
Life Care Center of Wichita	Wichita	105.02	1.29
Lincoln East	Wichita	99.95	1.04
Medicalodge of Wichita	Wichita	117.62	1.26
Sandpiper Bay Health & Retirement	Wichita	107.19	1.19
Terrace Gardens Nursing Center	Wichita	101.08	1.00
The Healthcare Center — Larksville	Wichita	114.16	0.95
Wichita Healthcare & Rehab Center	Wichita	112.41	1.06
Wichita Presbyterian Manor	Wichita	109.90	1.08
Wilson Nursing Home	Wilson	80.90	1.26
Jefferson County Memorial Hospital	Winchester	77.82	0.90
Cumbernauld Village, Inc.	Winfield	99.57	0.91
Good Samaritan Village-Winfield	Winfield	105.74	0.89
Walnut Hill Nursing Center, Inc.	Winfield	80.06	0.81
Twin Oaks Health Care	Yates Center	80.71	1.08

III. Justifications for the Proposed Rates.

1. The proposed rates are calculated according to the rate-setting methodology in the Kansas Medicaid State Plan, which has been used, in essentially the same form, to set nursing facility rates for more than seven years.

2. The proposed rates are calculated according to a methodology that satisfies the requirements of K.S.A. 39-708c(x) and the Department of Social and Rehabilitation Services regulations in K.A.R. Article 30-10 implementing that statute.

3. The state's studies project that the proposed rates:

a. Would result in payment, in the aggregate, of 97.07% of the Medicaid day weighted average inflated allowable nursing facility costs statewide; and

b. Would result in a maximum allowable rate of \$118.24; the total average allowable cost is \$102.40.

c. Estimated average rate July 1, 2000 \$90.61
 Average payment rate September 1, 1999 \$84.12
 Amount of change \$6.49
 Percent of change 7.72%

4. Estimated annual aggregate expenditures in the Medicaid nursing facility services payment program will increase by approximately \$23 million.

5. The state estimates that the proposed rates would continue to make quality care and services available under the Medicaid State Plan at least to the extent that care and services are available to the general population. The state's studies indicate:

a. service providers operating a total of 323 nursing facilities (representing 98% of all the licensed nursing facilities in Kansas) participate in the Medicaid program, while an additional 46 hospital-based long-term care units also are certified to participate in the Medicaid program;

b. there is at least one Medicaid-certified nursing facility and/or nursing facility for mental health, or Medicaid-certified hospital-based long-term care unit in each of the 105 counties in Kansas;

c. the statewide average occupancy rate for nursing facilities participating in Medicaid is 87.3%;

d. the statewide average Medicaid occupancy rate for participating facilities is 54.4%, which is a slight increase from the prior year; and

e. the proposed rates would cover 99.19% of the estimated Medicaid health care costs incurred by participating nursing facilities statewide.

6. Federal Medicaid regulations at 42 C.F.R. 447.272 impose an aggregate upper payment limit that states may pay for Medicaid nursing facility services. The State's analysis indicates that the proposed methodology would result in compliance with the federal regulation.

IV. Request for Comments; Request for Copies. The state requests providers, beneficiaries and their representatives, and other concerned Kansas residents to review and comment on the proposed rates, the methodology used to calculate the proposed rates, and the justifications for the proposed rates. Persons and organizations wishing to submit comments must mail, deliver or fax their signed, written comments before the close of business on Friday, May 26, to:

Bill McDaniel
 Director Nursing Facility and CARE Program
 Kansas Department on Aging
 New England Building, 2nd Floor
 503 S. Kansas Ave.
 Topeka, KS 66603-3404
 Fax (785) 296-0256

Persons and organizations wishing to submit comments on the proposed amendments to the Medicaid State Plan must mail, deliver or fax their signed, written comments before the close of business on Monday, July 3, to the same address set out above.

V. Notice of Intent to Publish Final Rates. The state intends to publish final Medicaid nursing facility per diem rates, the methodology used to calculate the final rates, and the justifications for those final rates in the Kansas Register on June 29, 2000.

VI. Notice of Intent to Amend the Medicaid State Plan. The state intends to submit proposed Medicaid State Plan amendments to HCFA on or before September 30, 2000.

J.G. Scott
 Budget Director
 Social and Rehabilitation Services
 Catherine Walberg
 Deputy Secretary of Program and Policy
 Kansas Department on Aging

Doc. No. 025146

State of Kansas

Board of Hearing Aid Examiners

Permanent Administrative
Regulations

Article 2.—APPLICATION FOR LICENSE

67-2-4. Examinations. (a) Applicants shall be required to take an examination that includes both written and practical demonstrations of technical proficiency. The passing score shall be 75 percent for each individual section.

(b) The applicant shall be notified by letter of the date, time, and location of the examination. The applicant shall be notified by letter of the examination results within 30 days from the date of the examination.

(c) For an applicant to be scheduled for an examination, the application shall be received by the board at least 30 days before the next scheduled examination. Any application received fewer than 30 days before the next examination shall be processed according to standard procedures, and, if approved, seating for the examination shall be provided if available. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5806, 74-5812(a); effective May 1, 1982; amended May 1, 1984; amended March 6, 1995; amended May 12, 2000.)

Article 3.—DUTIES OF SPONSORS OF
TEMPORARY LICENSEES

67-3-2. Responsibilities and termination of responsibilities. Responsibility for the ethical conduct of a temporary licensee shall rest with the sponsoring license holder. The sponsoring license holder shall be responsible for insuring that the applicant meets all requirements. The sponsoring license holder may terminate this responsibility by discharging the temporary licensee and returning the license by registered mail to the board with an explanation of why the licensee was terminated. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982; amended May 12, 2000.)

Article 4.—EDUCATIONAL REQUIREMENTS

67-4-7. Educational requirements; duties of executive officer; national organizations; acceptance. (a) A written certificate stating the number of credit hours earned by attending an educational course offered by the board shall be provided to each participant.

(b) Any licensee completing the educational requirements through an annual program presented by an approved national hearing organization shall obtain verification of attendance. The licensee shall present this verification to the board with the annual renewal. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982; amended May 1, 1984; amended May 12, 2000.)

67-4-10. Same; local organizations; notice of credit hours. Any licensee who desires to complete the educational requirements set forth in K.S.A. 74-5821, and amendments thereto, through a program other than those specified in K.A.R. 67-4-7(b) shall present to the board the

title of the proposed program, the name and qualifications of the instructor, and a short statement of the course content. Whether the proposed program meets the educational requirements set forth in K.S.A. 74-5821, and amendments thereto, shall be determined by the board after reviewing the proposed program, within 60 days of its receipt. The applicant shall be notified by the board of its determination and, if the program is accepted, of the number of credit hours allowed pursuant to K.S.A. 74-5821, and amendments thereto. (Authorized by K.S.A. 74-5806; implementing K.S.A. 74-5821; effective May 1, 1982; amended May 1, 1984; amended May 12, 2000.)

67-4-13. Same; temporary applicants. An applicant for a temporary license shall present verification from the sponsoring license holder that the basic educational requirements set forth by the board have been met before the temporary license will be issued. These educational requirements shall cover specific areas of study as set forth in K.S.A. 74-5813, and amendments thereto, and shall not exceed 200 clock hours. (Authorized by and implementing K.S.A. 74-5806; effective May 12, 2000.)

Article 5.—RENEWALS

67-5-3. Permanent license renewal fee; responsibility of licensee. Each licensee who holds a permanent license shall pay a permanent license* renewal fee of \$75.00 on or before the expiration date of the licensee's current permanent license. (Authorized by K.S.A. 74-5806; implementing K.S.A. 1999 Supp. 74-5810a; effective May 1, 1982; amended May 1, 1984; amended June 11, 1990; amended May 12, 2000.)

67-5-4. Delinquent permanent license renewals. A permanent license renewal shall be judged delinquent on the expiration date of the permanent license and may be renewed after that day only by payment of a \$200.00 permanent license late renewal fee. After a grace period of 30 days, beginning with the expiration date, the permanent license extended late renewal fee shall be \$300.00. (Authorized by K.S.A. 74-5806 and K.S.A. 1999 Supp. 74-5810a; implementing K.S.A. 1999 Supp. 74-5810a and K.S.A. 74-5816; effective May 1, 1982; amended June 11, 1990; amended May 12, 2000.)

Article 6.—UNETHICAL CONDUCT

67-6-4. Office conditions; license identification. (a) The office of each licensee shall contain properly maintained equipment and supplies that are necessary for servicing customers' needs. The office and equipment shall be maintained in a professional and hygienic manner.

(b) An identification card shall be issued to each licensee, and it shall indicate the license expiration date. This card shall be kept in the possession of the licensee, and, upon the request of a customer or board member, the licensee shall permit the identification card to be inspected. (Authorized by and implementing K.S.A. 74-5806; effective May 1, 1982; amended May 1, 1984; amended May 12, 2000.)

Article 7.—CALIBRATION OF AUDIOMETRIC EQUIPMENT

67-7-4. Calibration of audiometric equipment. (a) Any audiometric equipment that is used in connection with the sale or fitting of hearing aids in this state shall be calibrated at intervals not exceeding two years.

(b) Each licensee shall submit to the board written proof of each calibration required in subsection (a) of this rule and regulation within 30 days of the required dates of calibration. Written proof of calibration shall include the following:

- (1) The name of the owner;
(2) the make, model, and serial number of the equipment;
(3) the date of calibration;
(4) the printed name of the person and company calibrating the equipment;
(5) the signature of the person calibrating the equipment; and

(6) the name of the licensee submitting proof of calibration.

(c) Any of the following acts may constitute unethical conduct for which a licensee may be disciplined under K.S.A. 74-5818 and amendments thereto:

- (1) Provides false or misleading information under this rule and regulation;
(2) uses audiometric equipment that has not been calibrated as required by this rule and regulation; or
(3) uses audiometric equipment the calibration of which has not been reported as required by this rule and regulation. (Authorized by and implementing K.S.A. 74-5806 and K.S.A. 1999 Supp. 74-5818; effective, T-86-16, June 17, 1985; effective May 1, 1986; amended May 12, 2000.)

Sherry R. DuPerier
Chair

Doc. No. 025111

State of Kansas

Secretary of State

Certification of New State Laws

I, Ron Thornburgh, Secretary of State of the State of Kansas, do hereby certify that each of the following bills is a correct copy of the original enrolled bill now on file in my office.

Ron Thornburgh
Secretary of State

(Published in the Kansas Register April 27, 2000.)

SENATE BILL No. 512

AN ACT concerning controlled substances; amending K.S.A. 65-4109 and K.S.A. 1999 Supp. 21-3445, 65-4107, 65-4111, 65-4162 and 65-4163 and repealing the existing sections; also repealing K.S.A. 1999 Supp. 65-4111a.

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

Section 1. K.S.A. 1999 Supp. 21-3445 is hereby amended to read as follows: 21-3445. (a) Unlawful administration of a substance is the intentional and knowing administration of a substance to another person without consent for the purpose of impairing such other person's physical or mental ability to appraise or control such person's conduct.

(b) "Unlawful administration of a substance" means any method of causing the ingestion by another person of a controlled substance, gamma hydroxybutyric acid, or its salts, ketamine or butyrolactone into any food, beverage or other consumable that the person knows, or should know, would be consumed by such other person.

(c) This section shall not prohibit administration of any substance described in subsection (b) for lawful medical or therapeutic treatment.

(d) Unlawful administration of a substance is a class A person misdemeanor.

Sec. 2. K.S.A. 1999 Supp. 65-4107 is hereby amended to read as follows: 65-4107. (a) The controlled substances listed in this section are included in schedule II and the number set forth opposite each drug or substance is the DEA controlled substances code which has been assigned to it.

(b) Any of the following substances, except those narcotic drugs listed in other schedules, whether produced directly or indirectly by extraction from substances of vegetable origin or independently by means of chemical synthesis or by combination of extraction and chemical synthesis:

(1) Opium and opiate and any salt, compound, derivative or preparation of opium or opiate, excluding apomorphine, dextrorphan, nalbu-

phine, nalmefene, naloxone and naltrexone and their respective salts, but including the following:

Table with 2 columns: Substance name and numerical code. Includes items like Raw opium (9600), Opium extracts (9610), Opium fluid (9620), Powdered opium (9639), Granulated opium (9640), Tincture of opium (9630), Codeine (9050), Ethylmorphine (9190), Etorphine hydrochloride (9059), Hydrocodone (9193), Hydromorphone (9150), Metopon (9260), Morphine (9300), Oxycodone (9143), Oxymorphone (9652), Thebaine (9333).

(2) Any salt, compound, isomer, derivative or preparation thereof which is chemically equivalent or identical with any of the substances referred to in paragraph (1), but not including the isoquinoline alkaloids of opium.

(3) Opium poppy and poppy straw.

(4) Coca leaves (9040) and any salt, compound, derivative or preparation of coca leaves, but not including decocainized coca leaves or extractions which do not contain cocaine (9041) or ecgonine (9180).

(5) Cocaine, its salts, isomers and salts of isomers (9041).

(6) Ecgonine, its salts, isomers and salts of isomers (9180).

(7) Concentrate of poppy straw (the crude extract of poppy straw in either liquid, solid or powder form which contains the phenanthrene alkaloids of the opium poppy) (9670).

(c) Any of the following opiates, including their isomers, esters, ethers, salts and salts of isomers, esters and ethers, whenever the existence of these isomers, esters, ethers and salts is possible within the specific chemical designation dextrorphan and levopropoxyphene excepted:

Table with 2 columns: Substance name and numerical code. Includes items like Alfentanil (9737), Alphaprodine (9010), Anileridine (9020), Bezitramide (9800), Bulk dextropropoxyphene (nondosage forms) (9273), Carfentanil (9743), Dihydrocodeine (9120), Diphenoxylate (9170), Fentanyl (9801), Isomethadone (9226), Levomethorphan (9210), Levorphanol (9220).

(continued)

(13)	Metazocine	9240
(14)	Methadone	9250
(15)	Methadone-intermediate, 4-cyano-2-dimethyl amino-4,4-diphenyl butane	9254
(16)	Moramide-intermediate, 2-methyl-3- morpholino-1, 1-diphenylpropane-carboxylic acid	9802
(17)	Pethidine (meperidine)	9230
(18)	Pethidine-intermediate-A, 4-cyano-1-methyl- 4- phenylpiperidine	9232
(19)	Pethidine-intermediate-B, ethyl-4-phenyl- piperidine-4- carboxylate	9233
(20)	Pethidine-intermediate-C, 1-methyl-4-phenyl- piperidine-4-carboxylic acid	9234
(21)	Phetazocine	9715
(22)	Piminodine	9730
(23)	Racemethorphan	9732
(24)	Racemorphan	9733
(25)	Sufentanil	9740
(26)	Levo-alphaetyl methadol	9648

Some other names: levo-alpha-acetyl methadol, levomethadyl acetate or LAAM.

(d) Any material, compound, mixture, or preparation which contains any quantity of the following substances having a potential for abuse associated with a stimulant effect on the central nervous system:

(1)	Amphetamine, its salts, optical isomers and salts of its optical isomers	1100
(2)	Phenmetrazine and its salts	1631
(3)	Methamphetamine, including its salts, isomers and salts of isomers	1105
(4)	Methylphenidate	1724

(e) Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following substances having a depressant effect on the central nervous system, including its salts, isomers and salts of isomers whenever the existence of such salts, isomers and salts of isomers is possible within the specific chemical designation:

(1)	Amobarbital	2125
(2)	Glutethimide	2550
(3)	Secobarbital	2315
(4)	Pentobarbital	2270
(5)	Phencyclidine	7471

(f) Any material, compound, mixture, or preparation which contains any quantity of the following substances:

(1)	Immediate precursor to amphetamine and methamphetamine:	
(A)	Phenylacetone	8501
	Some trade or other names: phenyl-2-propanone; P2P; benzyl methyl ketone; methyl benzyl ketone.	
(2)	Immediate precursors to phencyclidine (PCP):	
(A)	1-phenylcyclohexylamine	7460
(B)	1-piperidinocyclohexanecarbonitrile (PCC)	8603

(g) Any material, compound, mixture or preparation which contains any quantity of the following hallucinogenic substance, its salts, isomers and salts of isomers, unless specifically excepted, whenever the existence of these salts, isomers and salts of isomers is possible within the specific chemical designation:

(1)	Dronabinol (synthetic) in sesame oil and encapsulated in a soft gelatin capsule in a United States food and drug administration approved drug product	7969
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Some other names for dronabinol:

(6aR,trans)-6a,7,8,10a-tetrahydro-
6,6,9-trimethyl-9-pentyl-6H-dibenzo-[b,d]pyran-1-ol, or (-)-
delta-9-(trans)-tetrahydrocannabinol

(2)	Nabilone	7379
	[Another name for nabilone: (±)-trans-3-(1,1-dimethylheptyl)-6,6a,7,8,10,10a- hex- ahydro-1-hydroxy-6,6-dimethyl-9H-dibenzo[b,d] pyran-9-one]	

Sec. 3. K.S.A. 65-4109 is hereby amended to read as follows: 65-4109. (a) The controlled substances listed in this section are included in schedule III and the number set forth opposite each drug or substance is the DEA controlled substances code which has been assigned to it.

(b) Unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances having a potential for abuse associated with a depressant effect on the central nervous system:

(1)	Any compound, mixture or preparation containing:	
(A)	Amobarbital	2126
(B)	Secobarbital	2316
(C)	Pentobarbital	2271

or any salt thereof and one or more other active medicinal ingredients which are not listed in any schedule.

(2)	Any suppository dosage form containing:	
(A)	Amobarbital	2126
(B)	Secobarbital	2316
(C)	Pentobarbital	2271

or any salt of any of these drugs and approved by the Food and Drug Administration for marketing only as a suppository.

(3)	Any substance which contains any quantity of a derivative of barbituric acid, or any salt of a derivative of barbituric acid, except those substances which are specifically listed in other schedules	2100
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(4)	Chlorhexadol	2510
(5)	Lysergic acid	7300
(6)	Lysergic acid amide	7310
(7)	Methyprylon	2575
(8)	Sulfondiethylmethane	2600
(9)	Sulfonethylmethane	2605
(10)	Sulfonmethane	2610
(11)	Tiletamine and zolazepam or any salt thereof	7295

Some trade or other names for tiletamine: 2- (ethylamino)-2-
(2-thienyl)-cyclohexanone
Some trade or other names for zolazepam: 4- (2-fluorophenyl)-
6,8-dihydro-1,3,8-trimethylpyrazolo-[3,4-e][1,4]-diazepin-
7(1H)-one, flupyrzapon

(12)	Ketamine, its salts, isomers, and salts of isomers	7285
	Some other names for ketamine: (<plus-minus>)-2-(2-chlo- rophenyl)-2-(methylamino)-cyclohexanone	

(c)	Nalorphine	9400
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(d) Any material, compound, mixture or preparation containing any of the following narcotic drugs or any salts calculated as the free anhydrous base or alkaloid, in limited quantities as set forth below:

(1)	Not more than 1.8 grams of codeine or any of its salts per 100 milliliters or not more than 90 milligrams per dosage unit with an equal or greater quantity of an isoquinoline alkaloid of opium	9803
(2)	not more than 1.8 grams of codeine or any of its salts per 100 milliliters or not more than 90 milligrams per dosage unit with one or more active, nonnarcotic ingredients in recognized ther- apeutic amounts	9804
(3)	not more than 300 milligrams of dihydrocodeinone (hydroco- done) or any of its salts per 100 milliliters or not more than 15 milligrams per dosage unit with a fourfold or greater quantity of an isoquinoline alkaloid of opium	9805
(4)	not more than 300 milligrams of dihydrocodeinone (hydroco- done) or any of its salts per 100 milliliters or not more than 15 milligrams per dosage unit with one or more active, nonnar- cotic ingredients in recognized therapeutic amounts	9806
(5)	not more than 1.8 grams of dihydrocodeine or any of its salts per 100 milliliters or not more than 90 milligrams per dosage unit with one or more active, nonnarcotic ingredients in recog- nized therapeutic amounts	9807
(6)	not more than 300 milligrams of ethylmorphine or any of its salts per 100 milliliters or not more than 15 milligrams per dosage unit with one or more active, nonnarcotic ingredients in recognized therapeutic amounts	9808
(7)	not more than 500 milligrams of opium per 100 milliliters or per 100 grams or not more than 25 milligrams per dosage unit with one or more active, nonnarcotic ingredients in recognized therapeutic amounts	9809
(8)	not more than 50 milligrams of morphine or any of its salts per 100 milliliters or per 100 grams with one or more active, non- narcotic ingredients in recognized therapeutic amounts	9810

(e) Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers (whether optical, position or geometric) and salts of such isomers whenever the existence of such salts,

isomers and salts of isomers is possible within the specific chemical designation:

- (1) Those compounds, mixtures or preparations in dosage unit form containing any stimulant substance listed in schedule II, which compounds, mixtures or preparations were listed on August 25, 1971, as excepted compounds under section 309.32 of title 21 of the code of federal regulations, and any other drug of the quantitative composition shown in that list for those drugs or which is the same, except that it contains a lesser quantity of controlled substances 1405
- (2) Benzphetamine 1228
- (3) Chlorphentermine 1645
- (4) Chlortermine 1647
- (5) Phendimetrazine 1615
- (f) Anabolic steroids 4000

"Anabolic steroid" means any drug or hormonal substance, chemically and pharmacologically related to testosterone (other than estrogens, progestins, and corticosteroids) that promotes muscle growth, and includes:

- (1) boldenone
- (2) chlorotestosterone (4-chlortestosterone)
- (3) clostebol
- (4) dehydrochlormethyltestosterone
- (5) dihydrotestosterone (4-dihydrotestosterone)
- (6) drostanolone
- (7) ethylestrenol
- (8) fluoxymesterone
- (9) formebolone (formebolone)
- (10) mesterolone
- (11) methandienone
- (12) methandranone
- (13) methandriol
- (14) methandrostenolone
- (15) methenolone
- (16) methyltestosterone
- (17) mibolerone
- (18) nandrolone
- (19) norethandrolone
- (20) oxandrolone
- (21) oxymesterone
- (22) oxymetholone
- (23) stanolone
- (24) stanozolol
- (25) testolactone
- (26) testosterone
- (27) trenbolone
- (28) any salt, ester, or isomer of a drug or substance described or listed in this paragraph, if that salt, ester, or isomer promotes muscle growth.

(A) Except as provided in (B), such term does not include an anabolic steroid which is expressly intended for administration through implants to cattle or other nonhuman species and which has been approved by the United States' secretary of health and human services for such administration.

(B) If any person prescribes, dispenses or distributes such steroid for human use, such person shall be considered to have prescribed, dispensed or distributed an anabolic steroid within the meaning of this subsection (f).

(g) Any material, compound, mixture or preparation which contains any quantity of the following hallucinogenic substance, its salts, isomers and salts of isomers, unless specifically excepted, whenever the existence of these salts, isomers and salts of isomers is possible within the specific chemical designation:

- (1) Dronabinol (synthetic) in sesame oil and encapsulated in a soft gelatin capsule in a United States food and drug administration approved product 7369
- Some other names for dronabinol:
 (6aR-trans)-6a,7,8,10a-tetrahydro-6-6-9-trimethyl-3-pentyl-6H-dibenzo(b,d)pyran-1-ol,
 or(-)-delta-9-(trans)-tetrahydrocannabinol.

(g)(h) The board may except by rule any compound, mixture or preparation containing any stimulant or depressant substance listed in subsection (b) from the application of all or any part of this act if the compound, mixture or preparation contains one or more active medicinal ingredients not having a stimulant or depressant effect on the central

nervous system and if the admixtures are included therein in combinations, quantity, proportion or concentration that vitiate the potential for abuse of the substances which have a stimulant or depressant effect on the central nervous system:

Sec. 4. K.S.A. 1999 Supp. 65-4111 is hereby amended to read as follows: 65-4111. (a) The controlled substances listed in this section are included in schedule IV and the number set forth opposite each drug or substance is the DEA controlled substances code which has been assigned to it.

(b) Any material, compound, mixture or preparation which contains any quantity of the following substances including its salts, isomers and salts of isomers whenever the existence of such salts, isomers and salts of isomers is possible within the specific chemical designation and having a potential for abuse associated with a depressant effect on the central nervous system:

(1) Alprazolam	2882
(2) Barbitol	2145
(3) Bromazepam	2748
(4) Camazepam	2749
(5) Chloral betaine	2460
(6) Chloral hydrate	2465
(7) Chlordiazepoxide	2744
(8) Clobazam	2751
(9) Clonazepam	2737
(10) Clorazepate	2768
(11) Clotiazepam	2752
(12) Cloxazolam	2753
(13) Delorazepam	2754
(14) Diazepam	2765
(15) Estazolam	2756
(16) Ethchlorvynol	2540
(17) Ethinamate	2545
(18) Ethyl loflazepate	2758
(19) Fludiazepam	2759
(20) Flunitrazepam	2763
(21) Flurazepam	2767
(22) Halazepam	2762
(23) Haloxazolam	2771
(24) Ketazolam	2772
(25) Loprazolam	2773
(26) Lorazepam	2885
(27) Lormetazepam	2774
(28) Mebutamate	2800
(29) Medazepam	2836
(30) Meprobamate	2820
(31) Methohexital	2264
(32) Methylphenobarbital (mephobarbital)	2250
(33) Midazolam	2884
(34) Nimetazepam	2837
(35) Nitrazepam	2834
(36) Nordiazepam	2838
(37) Oxazepam	2835
(38) Oxazolam	2839
(39) Paraldehyde	2585
(40) Petrichloral	2591
(41) Phenobarbital	2285
(42) Pinazepam	2883
(43) Prazepam	2764
(44) Quazepam	2881
(45) Temazepam	2925
(46) Tetrazepam	2886
(47) Triazolam	2887
(48) Zolpidem	2783
(49) Gamma hydroxybutyric acid	
(50) Zaleplon	2781

(c) Any material, compound, mixture, or preparation which contains any quantity of fenfluramine (1670), including its salts, isomers (whether optical, position or geometric) and salts of such isomers, whenever the existence of such salts, isomers and salts of isomers is possible. The provisions of this subsection (c) shall expire on the date fenfluramine and its salts and isomers are removed from schedule IV of the federal controlled substances act (21 United States code 812; 21 code of federal regulations 1308.14).

(d) Unless specifically excepted or unless listed in another schedule, (continued)

any material, compound, mixture or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers (whether optical, position or geometric) and salts of such isomers whenever the existence of such salts, isomers and salts of isomers is possible within the specific chemical designation:

(1) Cathine ((+)-norpseudoephedrine).....	1230
(2) Diethylpropion.....	1610
(3) Fenclonamin.....	1760
(4) Fenproporex.....	1575
(5) Mazindol.....	1605
(6) Mefenorex.....	1580
(7) Pemoline (including organometallic complexes and chelates thereof).....	1530
(8) Phentermine.....	1640

The provisions of this subsection (d)(8) shall expire on the date phentermine and its salts and isomers are removed from schedule IV of the federal controlled substances act (21 United States code 812; 21 code of federal regulations 1308.14).

(9) Pipradrol.....	1750
(10) SPA((-)-1-dimethylamino-1,2-diphenylethane).....	1635
(11) Sibutramine.....	1675
(12) Mondaftinil.....	1680

(e) Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following, including salts thereof:

(1) Pentazocine.....	9709
(2) Butorphanol (including its optical isomers).....	9720

(f) Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation containing any of the following narcotic drugs, or their salts calculated as the free anhydrous base or alkaloid, in limited quantities as set forth below:

(1) Not more than 1 milligram of difenoxin and not less than 25 micrograms of atropine sulfate per dosage unit.....	9167
(2) Dextropropoxyphene (alpha-(+)-4-dimethylamino-1,2-diphenyl-3-methyl-2-propionyloxybutane).....	9278

(g) Butyl nitrite and its salts, isomers, esters, ethers or their salts.

(h) The board may except by rule and regulation any compound, mixture or preparation containing any depressant substance listed in subsection (b) from the application of all or any part of this act if the compound, mixture or preparation contains one or more active medicinal ingredients not having a depressant effect on the central nervous system, and if the admixtures are included therein in combinations, quantity, proportion or concentration that vitiate the potential for abuse of the substances which have a depressant effect on the central nervous system.

Sec. 5. K.S.A. 1999 Supp. 65-4162 is hereby amended to read as follows: 65-4162. (a) Except as authorized by the uniform controlled substances act, it shall be unlawful for any person to possess or have under such person's control:

(1) Any depressant designated in subsection (e) of K.S.A. 65-4105, subsection (e) of K.S.A. 65-4107, subsection (b) or (c) of K.S.A. 65-4109 or subsection (b) of K.S.A. 65-4111, and amendments thereto;

(2) any stimulant designated in subsection (f) of K.S.A. 65-4105, subsection (d)(2), (d)(4) or (f)(2) of K.S.A. 65-4107 or subsection (e) of K.S.A. 65-4109, and amendments thereto;

(3) any hallucinogenic drug designated in subsection (d) of K.S.A. 65-4105, and amendments thereto or designated in subsection (g) of K.S.A. 65-4107 and amendments thereto or designated in subsection (g) of K.S.A. 65-4109 and amendments thereto;

(4) any substance designated in subsection (g) of K.S.A. 65-4105, and amendments thereto, and designated in subsection (c), (d), (e), (f) or (g) of K.S.A. 65-4111 and amendments thereto; or

(5) any anabolic steroids as defined in subsection (f) of K.S.A. 65-4109, and amendments thereto.

Except as otherwise provided, any person who violates this subsection shall be guilty of a class A nonperson misdemeanor. If any person has a prior conviction under this section, a conviction for a substantially similar

offense from another jurisdiction or a conviction of a violation of an ordinance of any city or resolution of any county for a substantially similar offense if the substance involved was marijuana or tetrahydrocannabinol as designated in subsection (d) of K.S.A. 65-4105 and amendments thereto, then such person shall be guilty of a drug severity level 4 felony.

(b) It shall not be a defense to charges arising under this section that the defendant was acting in an agency relationship on behalf of any other party in a transaction involving a controlled substance.

(c) For purposes of the uniform controlled substances act, the prohibitions contained in this section shall apply to controlled substance analogs as defined in subsection (bb) of K.S.A. 65-4101 and amendments thereto.

(d) The provisions of this section shall be part of and supplemental to the uniform controlled substances act.

Sec. 6. K.S.A. 1999 Supp. 65-4163 is hereby amended to read as follows: 65-4163. (a) Except as authorized by the uniform controlled substances act, it shall be unlawful for any person to sell, offer for sale or have in such person's possession with the intent to sell, deliver or distribute; cultivate; prescribe; administer; deliver; distribute; dispense or compound:

(1) Any depressant designated in subsection (e) of K.S.A. 65-4105, subsection (e) of K.S.A. 65-4107, subsection (b) or (c) of K.S.A. 65-4109 or subsection (b) of K.S.A. 65-4111, and amendments thereto;

(2) any stimulant designated in subsection (f) of K.S.A. 65-4105, subsection (d)(2), (d)(4) or (f)(2) of K.S.A. 65-4107 or subsection (e) of K.S.A. 65-4109, and amendments thereto;

(3) any hallucinogenic drug designated in subsection (d) of K.S.A. 65-4105, and amendments thereto or designated in subsection (g) of K.S.A. 65-4107 and amendments thereto or designated in subsection (g) of K.S.A. 65-4109 and amendments thereto;

(4) any substance designated in subsection (g) of K.S.A. 65-4105, and amendments thereto, and designated in subsection (c), (d), (e), (f) or (g) of K.S.A. 65-4111, and amendments thereto; or

(5) any anabolic steroids as defined in subsection (f) of K.S.A. 65-4109, and amendments thereto.

Except as provided in subsection (b), any person who violates this subsection shall be guilty of a drug severity level 3 felony.

(b) Notwithstanding any other provision of law, upon conviction of any person pursuant to subsection (a) for an offense in which the substances involved were possessed with intent to sell, sold or offered for sale in or on, or within 1,000 feet of any school property upon which is located a structure used by a unified school district or an accredited non-public school for student instruction or attendance or extracurricular activities of pupils enrolled in kindergarten or any of the grades one through 12 and such person is 18 or more years of age, such person shall be guilty of a drug severity level 2 felony.

Nothing in this subsection shall be construed as requiring that school be in session or that classes are actually being held at the time of the offense or that children must be present within the structure or on the property during the time of any alleged criminal act. If the structure or property meets the description above, the actual use of that structure or property at the time alleged shall not be a defense to the crime charged or the sentence imposed.

(c) It shall not be a defense to charges arising under this section that the defendant was acting in an agency relationship on behalf of any other party in a transaction involving a controlled substance.

(d) For purposes of the uniform controlled substances act, the prohibitions contained in this section shall apply to controlled substance analogs as defined in subsection (bb) of K.S.A. 65-4101 and amendments thereto.

(e) The provisions of this section shall be part of and supplemental to the uniform controlled substances act.

Sec. 7. K.S.A. 65-4109 and K.S.A. 1999 Supp. 21-3445, 65-4107, 65-4111, 65-4111a, 65-4162 and 65-4163 are hereby repealed.

Sec. 8. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 2659

AN ACT concerning water; relating to public wholesale water supply districts, watershed districts and water districts; amending K.S.A. 19-3545, 19-3552 and 24-1228 and repealing the existing sections.

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

Section 1. On and after July 1, 2000, K.S.A. 19-3545 is hereby amended to read as follows: 19-3545. It is the purpose of K.S.A. 19-3545 to 19-3556, inclusive, and amendments thereto, to permit certain public agencies to make the most efficient use of their powers relating to public water supplies by enabling them to cooperate with other public agencies on a basis of mutual advantage and thereby to provide services and facilities to wholesale water to participating public agencies and to provide for the establishment for such purpose of a quasi-municipal corporation which shall be known as a public wholesale water supply district. The function of the public wholesale water supply district shall be to:

(a) Secure a source of water on a scale larger than is feasible for public water supply districts, municipalities, publicly and privately owned water distribution companies, acting alone, and to;

(b) sell such water at wholesale to public water supply districts, municipalities, and publicly and privately owned water distribution companies; and

(c) provide services, pursuant to contract, to participating public agencies of the district, except that, if the contract amount for such services is \$10,000 or more, the district shall be authorized to provide such services only if the award of the contract is based on competitive bids.

Sec. 2. On and after July 1, 2000, K.S.A. 19-3552 is hereby amended to read as follows: 19-3552. For the purpose of providing a water supply or other services to the participating public agencies the governing body of the district shall have the following powers, authorities and privileges:

(1) To accept by gift or grant from any person, firm, corporation, trust or foundation, or from this state or any other state or any political subdivision or municipality thereof, or from the United States, any funds or property or any interest therein for the uses and purposes of the district and to hold title thereto in trust or otherwise and to bind the district to apply the same according to the terms of such gift or grant;

(2) to sue and be sued;

(3) to enter into franchises, contracts and agreements with this or any other state or the United States or any municipality, political subdivision or district thereof, or any of their agencies or instrumentalities, or any public or private person, partnership, association, or corporation of this state or of any other state or the United States, and this state and any such municipality, political subdivision, district, or any of their agencies or instrumentalities, and any such public or private person, partnership, association, or corporation is hereby authorized to enter into contracts and agreements with such district for any term not exceeding forty (40) 40 years for the planning, development, construction, acquisition, or operation of any facility or for any service rendered to, for, or by said the district;

(4) to borrow money and evidence the same by warrants, notes, or bonds as hereinafter provided in this act, and to refund the same by the issuance of refunding obligations;

(5) to acquire land and interests in land by gift, purchase, exchange or eminent domain, such power of eminent domain to be exercised within or without the boundaries of the district in accordance with provisions of K.S.A. 26-501, and amendments thereto;

(6) to acquire by purchase or lease, construct, install, and operate reservoirs, pipelines, wells, check dams, pumping stations, water purification plants, and other facilities for the production, wholesale distribution, and utilization of water and to own and hold such real and personal property as may be necessary to carry out the purposes of its organization;

(7) to provide, by contract, to participating public agencies for the construction, installation and operation of pipelines, wells, pumping stations and other facilities and services relating to the distribution of water within the boundaries of the participating public agencies or retail distribution and utilization of water and to own and hold such real and personal property as may be necessary in relation thereto, except that, if the contract amount for such services is \$10,000 or more, the district shall be authorized to provide such services only if the award of the contract is based on competitive bids;

(8) to have the general management, control, and supervision of all the business, affairs, property, and facilities of the district, and of the

construction, installation, operation, and maintenance of district improvements, and to establish regulations relating thereto;

(9) (9) to hire and retain agents, employees, engineers and attorneys and to determine their compensation. The governing body shall select and appoint a general manager of the district who shall serve at the pleasure of said the governing body. The general manager shall have training and experience in the supervision and administration of water systems and shall manage and control the water system under the general supervision of said the governing body. All employees, servants and agents of the district shall be under the immediate control and management of said the general manager. The general manager shall perform all such other duties as may be prescribed by said the governing body and shall give the governing body a good and sufficient surety company bond in a sum to be set and approved by the governing body conditioned upon the satisfactory performance of the general manager's duties. The governing body may also require that any other employees be bonded in such amount as it shall determine. The cost of said such bonds shall be paid out of the funds of the district;

(10) (10) to adopt and amend rules and regulations not in conflict with the constitution and laws of this state, necessary for the carrying on of the business, objects and affairs of the governing body and of the district; and

(11) (11) to have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes of this act.

Sec. 3. On and after July 1, 2000, K.S.A. 24-1228 is hereby amended to read as follows: 24-1228. Whenever a watershed district has been organized and incorporated under the provisions of article 12 of chapter 24 of the Kansas Statutes Annotated, or any and amendments thereto, for more than four years, and such district eight years and has not adopted a general plan of work and projects to be undertaken by the district, nor constructed or contracted to construct any works of improvement, nor or incurred any continuing obligations for maintenance of any works of improvement, or when such a district has been organized and incorporated under such provisions for more than four years and has not made substantial progress toward a general plan of work and projects to be undertaken by the district, the board of such district may, by resolution adopted by a 2/3 vote of all members of such board present and voting, but in no event less than a majority of all members of such board at a special meeting of such board called for that purpose, and notice of which special meeting shall specify the purpose for which the meeting is to be called, provide for the calling of an election of the qualified voters of such district for the purpose of determining whether such district shall be dissolved; and the board shall provide for the calling of such an election if written petitions therefor signed by 20% of the landowners of such district, as shown by a verified enumeration of such landowners by a landowner of such district, are filed with the secretary of such board. Notwithstanding any provision of this section, the Middle Creek joint watershed district No. 50 may be dissolved in the same manner and procedure as provided herein.

The election to determine whether the district shall be dissolved shall be held and conducted in the same manner as provided by K.S.A. 24-1207, and amendments thereto, insofar as such provisions can be made applicable. If a majority of those voting on the proposition voted in favor of dissolution of the district, the board shall immediately certify the results of such election to the secretary of state, and the secretary of state shall thereupon issue and deliver to the secretary of such board a certificate of dissolution.

Sec. 4. On and after July 1, 2000, K.S.A. 19-3545, 19-3552 and 24-1228 are hereby repealed.

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

(Published in the Kansas Register April 27, 2000.)

SENATE BILL No. 412

AN ACT concerning banks and banking; relating to rules and regulations of the bank commissioner; establishing the state banking code; providing for the conversion of federal savings associations or banks; concerning boards of directors of banks and trust companies; amending K.S.A. 9-1713 and K.S.A. 1999 Supp. 9-539, 9-808 and 9-1114 and repealing the existing sections.

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

Section 1. K.S.A. 1999 Supp. 9-539 is hereby amended to read as follows: 9-539. The commissioner shall adopt such rules and regulations as shall be necessary to carry out the intent and purposes of K.S.A. 9-519 through 9-524, and amendments thereto, and K.S.A. 9-532 through 9-539 9-541, and amendments thereto, which shall be known as the bank holding company act. All rules and regulations of general application shall first be submitted by the commissioner to the state banking board for its approval and upon approval shall be filed as provided by article 4 of chapter 77 of the Kansas Statutes Annotated.

Sec. 2. K.S.A. 1999 Supp. 9-808 is hereby amended to read as follows: 9-808. (a) After first applying for and receiving approval from the commissioner, any national bank incorporated, federal savings association or federal savings bank organized under the laws of the United States may become a state bank upon the affirmative vote of not less than two-thirds $\frac{2}{3}$ of its outstanding voting stock. Any national bank, federal savings association or federal savings bank desiring to become a state bank shall file a certified copy of its articles of association, together with the transcript of the minutes of the meeting of its stockholders showing approval, together with its articles of incorporation duly executed as required by state law with the secretary of state who immediately shall transmit the same to the commissioner apply to the commissioner for permission to convert to a state bank, and shall submit a certified copy of its articles of association, a transcript of the minutes of the meeting of its stockholders showing approval of the proposed conversion and any other information required in the application form prescribed by the commissioner. A federal savings association or federal savings bank operating in a mutual form must also convert to a stock form prior to converting to a state bank and shall submit appropriate documentation to the commissioner to show that the appropriate federal regulator has approved such mutual to stock conversion. Upon receipt of each of the items required by this section the commissioner shall make or cause to be made such investigation as the commissioner deems necessary to determine whether:

(1) All state and federal requirements for a conversion have been satisfied;

(2) the conversion will not adversely affect the interests of the depositors; and

(3) the resulting state bank will have an adequate capital structure. If the commissioner determines each of these matters favorably the conversion shall be approved and the commissioner shall issue a certificate of authority. Upon issuance of a certificate of authority, the articles of incorporation, duly executed as required by state law, shall be filed with the secretary of state.

(b) In any conversion authorized by this section the capital requirements of this act shall apply, and the new name for such resulting bank shall be approved by the commissioner. In any conversion authorized by this section the resulting state bank shall have authority to issue its shares of stock for shares of stock in the national bank, federal savings association or federal savings bank or property of the national bank, federal savings association or federal savings bank for and upon such valuation as shall be agreed upon, and approved by the commissioner. In any conversion authorized by this section the resulting state bank by operation of law shall continue all trust functions being exercised by the national bank, federal savings association or federal savings bank and shall be substituted for the national bank, federal savings association or federal savings bank and shall have the right to exercise trust or fiduciary powers created by any instrument designating the national bank, federal savings association, or federal savings bank even though such instruments are not yet effective.

(c) In any conversion authorized by this section the resulting state bank shall succeed by operation of law without any conveyance or transfer by the act of the national bank, federal savings association or federal

savings bank to all the actual or potential assets, real property, tangible personal property, intangible personal property, rights, franchises and interests, including those in a fiduciary capacity of the national bank, federal savings association or federal savings bank and shall be subject to all of the liabilities of the national bank, federal savings association or federal savings bank.

(d) In any conversion authorized by this section the rights and responsibilities of any shareholder of the national bank, federal savings association or federal savings bank who objects or dissents to the proposed conversion shall be governed by the provisions of K.S.A. 17-6712, and amendments thereto, as though the national bank, federal savings association or federal savings bank was a Kansas corporation and the objecting or dissenting shareholder was objecting or dissenting to a proposed merger transaction. In any conversion authorized by this section the corporate existence of the national bank, federal savings association or federal savings bank shall be merged into and shall be continued in the resulting state bank, and the resulting state bank shall be deemed to be the identical corporate entity as the national bank, federal savings association or federal savings bank.

(e) Within a reasonable time after the effective date of the conversion, the resulting bank shall divest itself of all assets and liabilities that do not conform to state banking laws and rules and regulations. The length of this transition period shall be determined by the commissioner and shall be specified when the application for conversion is approved.

Sec. 3. K.S.A. 9-1713 is hereby amended to read as follows: 9-1713. The Except as otherwise provided by law, the state bank commissioner shall adopt such rules and regulations as shall be necessary to carry out the intent and purposes of K.S.A. 9-701 et seq. section 5, and amendments thereto, commonly known as the state banking code. All rules and regulations of general application shall first be submitted by the commissioner to the state banking board for its approval and upon approval shall be filed as provided by article 4 of chapter 77 of the Kansas Statutes Annotated.

Sec. 4. K.S.A. 1999 Supp. 9-1114 is hereby amended to read as follows: 9-1114. The business of any bank or trust company shall be managed and controlled by its board of directors and this shall include the authority to provide for bonus payments, in addition to ordinary compensation for any or all of its officers and employees. The board shall consist of not less than five nor more than 25 members who shall be elected by the stockholders at any regular annual meeting which shall be held during the first 120 days of each calendar year on such date of each calendar year as the bank or trust company may specify in its bylaws. If the date specified in the bylaws falls on a legal holiday, the meeting shall be held, and the directors elected, on the next following business day. If for any reason the election of directors is not made on the day fixed, or in the event of a legal holiday, on the next business day, an election may be held on any subsequent day within 60 days of the day fixed, to be designated by the board of directors, or, if the directors fail to fix the day, by the shareholders representing $\frac{1}{3}$ of the shares. In all cases, at least 10 days' notice of the date for the annual meeting shall have been given by first-class mail to the shareholders. If the number of directors elected is less than 25, the number of directors may be increased so long as the total number does not exceed 25 and when the number is increased the first additional directors may be elected at a special meeting of the stockholders. The directors shall be elected in the manner provided in the general corporation code. Vacancies in the board of directors may be filled in the manner provided in the general corporation code. A majority of the directors shall be residents of this state. Any director of any bank or trust company who shall become indebted to such bank or trust company on any judgment or charged off indebtedness shall forfeit such person's position as director and such vacancy shall be filled as provided by law.

New Sec. 5. Articles 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 of Chapter 9 of the Kansas Statutes Annotated, K.S.A. 74-3004, 74-3005, 74-3006, 75-1304, 75-1305 and 75-1306, and K.S.A. 1999 Supp. 75-1308, and amendments thereto shall constitute and may be cited as the state banking code.

Sec. 6. K.S.A. 9-1713 and K.S.A. 1999 Supp. 9-539, 9-808 and 9-1114 are hereby repealed.

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

(Published in the Kansas Register April 27, 2000.)

SENATE BILL No. 248

AN ACT relating to the medicaid state plan; establishing an intergovernmental transfer program; concerning nursing facilities owned and operated by units of government; relating to the federal medical assistance (medicaid) program; establishing an intergovernmental transfer fund, an intergovernmental transfer administration fund, a long-term care loan and grant fund, a senior services trust fund, a senior services fund, a state medicaid match fund—department on aging, a state medicaid match fund—SRS and an HCBS programs fund within the state treasury; authorizing certain participation agreements, loans, grants and contracts; amending K.S.A. 75-5321a and repealing the existing section.

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

Section 1. K.S.A. 75-5321a is hereby amended to read as follows: 75-5321a. The secretary of social and rehabilitation services shall take necessary actions to transfer the administration of certain long-term care programs and services to the secretary of aging. The programs shall include the nursing facility services payment program, the home and community based nursing facility services for the frail elderly waiver program, the case management for the frail elderly program and the income eligible (home care) program. Excluding nursing facility programs; the programs to be transferred shall not include long-term care programs for individuals under the age of 65 with mental illness, mental retardation, other mental disabilities or physical disabilities. All such transfers shall be made only in accordance with federal grant requirements related to such programs.

New Sec. 2. (a) The secretary of social and rehabilitation services and the secretary of aging shall take necessary actions to establish an intergovernmental transfer program as a part of the nursing facility services payment program within the medicaid state plan.

(b) In implementing the intergovernmental transfer program, the secretary of aging shall disburse moneys received from the federal government for the intergovernmental transfer program and moneys transferred from the state general fund to the intergovernmental transfer fund for the program to units of government which have entered into participation agreements with the secretary of aging and the secretary of social and rehabilitation services. The amount of moneys disbursed to the units of government from moneys transferred from the state general fund to the intergovernmental transfer fund for the program shall not exceed the amount necessary to match federal funds available to the state under the intergovernmental transfer program. The secretary of aging shall periodically calculate the amount of federal funds available under the program according to the methodology prescribed for the intergovernmental transfer program in the medicaid state plan.

(c) The secretary of social and rehabilitation services and the secretary of aging are authorized to enter into intergovernmental transfer program participation agreements with units of government which own and operate nursing facilities. The participation agreements may permit the units of government to retain a participation fee specified by the secretary of aging from moneys received under the intergovernmental transfer program which are otherwise required to be transferred back to the secretary of aging.

(d) (1) There is hereby established the intergovernmental transfer fund in the state treasury which shall be administered by the secretary of aging in accordance with this act. All expenditures from the intergovernmental transfer fund shall be to disburse the state match amount under the intergovernmental transfer program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of aging or the secretary's designee. Subject to the provisions of appropriation acts, when the secretary of aging determines that an amount of federal medicaid moneys is available for the intergovernmental transfer program, the secretary of aging shall determine the amount required as the state match and shall certify that amount to the director of accounts and reports. Upon receipt of each such state match certification, the director of accounts and reports shall transfer the amount certified by revenue transfer from the state general fund to the intergovernmental transfer fund. Upon the crediting of such state match amount in the intergovernmental transfer fund, the secretary of aging shall disburse the amount of federal moneys and the state match amount to the units of government that have entered into participation agreements under the program.

(2) Each unit of government receiving a disbursement under the intergovernmental transfer program shall reimburse the amount of money received, less the amount of the participation fee, to the secretary of aging. Upon receipt of each amount of moneys from participating units

of government under the intergovernmental transfer program, the secretary of aging shall deposit the entire amount in the state treasury to the credit of the intergovernmental transfer fund. The secretary of aging shall determine the amount of each such deposit that was transferred from the state general fund to match medicaid federal funds under the intergovernmental transfer program and shall certify such amount to the director of accounts and reports. Upon receipt of each such certification, the director of accounts and reports shall retransfer the amount certified from the intergovernmental transfer fund to the state general fund.

(e) There is hereby established the intergovernmental transfer administration fund in the state treasury which shall be administered by the secretary of aging in accordance with this act. All expenditures from the intergovernmental transfer administration fund shall be to pay the costs of administering the intergovernmental transfer program and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of aging or the secretary's designee. The secretary of aging shall recover the costs of administering the intergovernmental transfer program from the intergovernmental transfer fund by certifying the amount of such costs to the director of accounts and reports each calendar quarter. Upon receipt of each certification of costs from the secretary of aging under this subsection, the director of accounts and reports shall transfer the amount certified from the intergovernmental transfer fund to the intergovernmental transfer administration fund.

(f) After each amount of moneys is credited to the intergovernmental transfer fund and the amount of the state match that had been transferred from the state general fund has been transferred back to the state general fund pursuant to subsection (d)(2), and after the transfer of the amount certified by the secretary of aging to the intergovernmental transfer administration fund pursuant to subsection (e), if any, the director of accounts and reports shall transfer the remaining amount in the intergovernmental transfer fund as follows:

(1) During the period from the effective date of this act through June 30, 2001, 60% of such amount shall be transferred to the senior services trust fund established by section 3 and amendments thereto, 9.7% of such amount shall be transferred to the state medicaid match fund—department on aging established by subsection (o)(1), 15.3% of such amount shall be transferred to the state medicaid match fund—SRS established by subsection (o)(2), 10% of such amount shall be transferred to the long-term care loan and grant fund established by subsection (h) and 5% of such amount shall be transferred to the HCBS programs fund established by subsection (p); and

(2) after June 30, 2001, 70% of such amount shall be transferred to the senior services trust fund, 5% of such amount shall be transferred to the long-term care loan and grant fund and 25% of such amount shall be transferred to the following special revenue funds in an amount specified by appropriation acts of the legislature for each such fund: State medicaid match fund—department on aging and the state medicaid match fund—SRS.

(g) There is hereby established the senior services fund in the state treasury which shall be administered by the secretary of aging in accordance with this act. All expenditures from the senior services fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of aging or the secretary's designee. Moneys in the senior services fund shall be used by the secretary of aging only for projects intended (1) to reduce future medicaid costs to the state, (2) to help seniors avoid premature institutionalization, (3) to improve the quality of care or the quality of life of seniors who are customers of long-term care programs, (4) to satisfy state matching requirements for senior service programs authorized by federal law, or (5) to provide financial assistance under the senior pharmacy assistance program. Moneys credited to the senior services fund from income of investments of the moneys in the senior services trust fund shall not be used to create or fund any entitlement program not in existence on the effective date of this act.

(h) There is hereby established the long-term care loan and grant fund in the state treasury which shall be administered by the secretary of aging in accordance with this act. All expenditures from the long-term care loan and grant fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of aging or the secretary's designee. Moneys in the long-term care loan and grant fund shall be used to make loans under the long-term care loan program developed by the secretary

(continued)

of aging in accordance with this section and grants under the long-term grant program developed by the secretary of aging in accordance with this section.

(i) The secretary of aging is hereby authorized to develop and implement a long-term care loan program in accordance with this section. Subject to the provisions of this section and the provisions of appropriation acts, the secretary of aging may enter into loan agreements for market-rate, low-interest or no-interest, fully or partially secured or unsecured loans with repayment provisions and other terms and conditions as may be prescribed by the secretary under such program. Loans under the long-term care loan program may be made for the following:

- (1) Converting all or parts of some types of licensed adult care homes from their existing licensure types to different licensure types to meet demonstrated changing service demands in their communities;
- (2) converting private residences to licensed homes plus facilities, as defined by K.S.A. 39-923 and amendments thereto;
- (3) converting space in rural hospitals to hospital-based long-term care facilities;
- (4) improving quality in some types of licensed adult care homes;
- (5) rural hospitals contracting for physician, physician assistant or licensed professional nurse services; or
- (6) building congregate housing for seniors in Kansas cities with populations of 2,500 or less.

(j) The secretary of aging may consider the following factors to prioritize and select loans under the long-term care loan program, grants under the long-term care grant program and projects financed from the senior services fund:

- (1) Type of loan—higher interest is preferable to lower interest and more secured is preferable to less secured;
- (2) size of facility—facilities having less than 60 beds are preferable to facilities having 60 beds or more;
- (3) availability and utilization of the same type of facilities or services in the proposed loan or project area;
- (4) type of facility owner or borrower—unit of government, not-for-profit organizations, for-profit organizations, and individuals, in that order of preference; and
- (5) type of research project organization—geriatric schools or programs in Kansas colleges or universities, Kansas colleges or universities, educational foundations, foreign colleges or universities, Kansas not-for-profit organizations, Kansas for-profit organizations, foreign not-for-profit organizations, foreign for-profit organizations, and individuals, in that order of preference.

(k) All moneys received from repayments of principal and interest of any loan made under this act shall be deposited in the state treasury and credited to the long-term care loan and grant fund within the state treasury and used to make new loans or grants under this section. The repayment of a loan or of a senior services fund project contract or grant may not be forgiven, in whole or in part, except as authorized by law.

(l) The secretary of aging is hereby authorized to develop and implement a long-term care grant program in accordance with this section. Subject to the provisions of this section and the provisions of appropriation acts, the secretary of aging may make competitive matching grants under such terms and conditions as may be prescribed by the secretary under such program. Grants under the long-term care grant program may be made only from the amount of moneys received for interest payments under loan agreements under the long-term care loan program and credited to the long-term care loan and grant fund. Grants under the long-term care grant program may be made for the following:

- (1) Grants for improvements in the quality of case management services under home and community-based services (HCBS) programs and for improvements for adult care homes; and
- (2) financial assurance grants for community service providers under home and community-based services (HCBS) programs.

(m) For purposes of this section, "units of government" and "units of government which own and operate nursing facilities" which are eligible to enter into intergovernmental transfer program participation agreements shall be limited to cities of the first class, cities of the second class, counties, hospital districts, or health care facilities and services hospital districts which hold legal title to and are actively involved in the day-to-day operations of any of the following:

- (1) Medicaid-certified nursing facilities and nursing facilities for mental health, as defined in K.S.A. 39-923 and amendments thereto;
- (2) Medicaid-certified long-term care facilities which are operated in connection with city hospitals established under K.S.A. 13-14b01 *et seq.*

and amendments thereto or K.S.A. 14-601 *et seq.* and amendments thereto, county hospitals established under K.S.A. 19-4601 *et seq.* and amendments thereto, or district hospitals established under K.S.A. 80-2501 *et seq.* and amendments thereto; or

(3) Medicaid-certified long-term care facilities operated under authority of K.S.A. 80-2550 *et seq.* and amendments thereto.

(n) Entities eligible to apply for loans under the long-term care loan program under this section shall be limited to the owners of:

- (1) Licensed adult care homes, excluding nursing facilities for mental health and intermediate care facilities for the mentally retarded, as defined in K.S.A. 39-923 and amendments thereto;
- (2) Medicaid-certified licensed hospitals and Medicaid-certified long-term care facilities based in or operated in connection with licensed hospitals as defined in K.S.A. 65-425 and amendments thereto;
- (3) private residences which the owners will contract to convert into licensed homes plus facilities, as defined in K.S.A. 39-923 and amendments thereto, and in which the owners will reside after the conversion and licensure; or
- (4) congregate senior housing projects being built with loans in Kansas cities with a population of 2,500 or less.

(o) (1) There is hereby established the state Medicaid match fund—department on aging in the state treasury which shall be administered by the secretary of aging in accordance with this act. All expenditures from the state Medicaid match fund—department on aging shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of aging or the secretary's designee. Moneys in the state Medicaid match fund—department on aging shall be used to match moneys for federal Medicaid programs which are the most cost efficient in providing services.

(2) There is hereby established the state Medicaid match fund—SRS in the state treasury which shall be administered as provided by law and in accordance with this act. All expenditures from the state Medicaid match fund—SRS shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved as provided by law. Moneys in the state Medicaid match fund—SRS shall be used to match moneys for federal Medicaid programs which are the most cost efficient in providing services.

(p) There is hereby established the HCBS programs fund in the state treasury which shall be administered by the secretary of social and rehabilitation services. All moneys in the HCBS programs fund shall be used for programs and services under the home and community-based services (HCBS) programs and as otherwise provided by law. All expenditures from the HCBS programs fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of social and rehabilitation services or the secretary's designee.

New Sec. 3. (a) The board of trustees is responsible for the management and investment of the senior services trust fund which is hereby established in the state treasury. The board of trustees shall discharge the board's duties relative to the fund for the exclusive purpose of providing investment revenue for the purposes for which the fund moneys may be used and defraying reasonable expenses of administering the fund. The board shall invest and reinvest moneys in the fund and acquire, retain, manage, including the exercise of any voting rights, and dispose of investments of the fund within the limitations and according to the powers, duties and purposes as prescribed by this section.

(b) Moneys in the fund shall be invested and reinvested to achieve the investment objective which is preservation of the fund to provide income and accordingly providing that the moneys are as productive as possible, subject to the standards set forth in this act. No moneys in the fund shall be invested or reinvested if the sole or primary investment objective is for economic development or social purposes or objectives.

(c) In investing and reinvesting moneys in the fund and in acquiring, retaining, managing and disposing of investments of the fund, the board of trustees shall exercise the judgment, care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, and not in regard to speculation but in regard to the permanent disposition of similar funds, considering the probable income as well as the probable safety of their capital.

(d) In the discharge of such management and investment responsibilities the board of trustees may contract for services of one or more professional investment advisors or other consultants in the management and investment of moneys in the fund and otherwise in the performance of the duties of the board of trustees under this act.

(e) The board of trustees shall require that each person contracted with under subsection (d) to provide services shall obtain commercial insurance which provides for errors and omissions coverage for such person in an amount to be specified by the board of trustees. The amount of such coverage specified by the board of trustees shall be at least the greater of \$500,000 or 1% of the funds entrusted to such person up to a maximum of \$10,000,000. The board of trustees shall require a person contracted with under subsection (d) to provide services give a fidelity bond in a penal sum as may be fixed by law or, if not so fixed, as may be fixed by the board of trustees, with corporate surety authorized to do business in this state. Such persons contracted with the board of trustees pursuant to subsection (d) and any persons contracted with such persons to perform the functions specified in subsection (b) shall be deemed to be fiduciary agents of the board of trustees in the performance of contractual obligations.

(f) (1) Subject to the objective set forth in subsection (b) and the standards set forth in subsection (c), the board of trustees shall formulate and adopt policies and objectives for the investment and reinvestment of moneys in the fund and the acquisition, retention, management and disposition of investments of the fund. Such policies and objectives shall be in writing and shall include:

(A) Specific asset allocation standards and objectives;

(B) establishment of criteria for evaluating the risk versus the potential return on a particular investment; and

(C) a requirement that all investment advisors, and any managers or others with similar duties and responsibilities as investment advisors, shall immediately report all instances of default on investments to the board of trustees and provide such board of trustees with recommendations and options, including, but not limited to, curing the default or withdrawal from the investment.

(2) The board of trustees shall review such policies and objectives, make changes considered necessary or desirable and readopt such policies and objectives on an annual basis.

(g) (1) Except as provided in subsection (d) and this subsection, the custody of money and securities of the fund shall remain in the custody of the state treasurer, except that the board of trustees may arrange for the custody of such money and securities as it considers advisable with one or more member banks or trust companies of the federal reserve system or with one or more banks in the state of Kansas, or both, to be held in safekeeping by the banks or trust companies for the collection of the principal and interest or other income or of the proceeds of sale.

(2) The state treasurer and the board of trustees shall collect the principal and interest or other income of investments or the proceeds of sale of securities of the fund in the custody of the state treasurer and shall pay such moneys when so collected into the state treasury to the credit of the fund.

(3) The principal and interest or other income or the proceeds of sale of securities of the fund as provided in paragraph (1) of this subsection shall be reported to the state treasurer, the director of accounts and reports and the board of trustees and credited to the fund.

(h) All interest or other income of the investments of the moneys in the fund, after payment of any management fees, shall be considered income of the fund and shall be withdrawn and deposited quarterly in the state treasury to the credit of the senior services fund to be used by the secretary of aging for the purposes permitted by section 2 and amendments thereto.

(i) As used in this section:

(1) "Board of trustees" means the board of trustees of the Kansas public employees retirement system established by K.S.A. 74-4905 and amendments thereto.

(2) "Fiduciary" means a person who, with respect to the fund, is a person who:

(A) Exercises any discretionary authority with respect to administration of the fund;

(B) exercises any authority to invest or manage assets of the fund or has any authority or responsibility to do so;

(C) provides investment advice for a fee or other direct or indirect compensation with respect to the assets of the fund or has any authority or responsibility to do so;

(D) provides actuarial, accounting, auditing, consulting, legal or other professional services for a fee or other direct or indirect compensation with respect to the fund or has any authority or responsibility to do so; or

(E) is a member of the board of trustees or of the staff of the board of trustees.

(3) "Fund" means the senior services trust fund.

(4) With respect to the investment of moneys in the senior services trust fund, "purposes for which the moneys may be used" means the purposes for which the moneys in the senior services fund may be used, as provided in section 2 and amendments thereto.

New Sec. 4: The board of trustees of the Kansas public employees retirement system shall report to the governor and to the legislature on the moneys credited to the senior services trust fund and investment earnings thereon at least once each calendar quarter and on a monthly basis upon request of the governor, the president of the senate or the speaker of the house of representatives. The director of the budget and the governor shall use the information in such reports in the preparation of the governor's budget report under K.S.A. 75-3721 and amendments thereto.

Sec. 5. K.S.A. 75-5321a is hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 3021

AN ACT amending the Kansas tort claims act; concerning exceptions from liability; amending K.S.A. 1999 Supp. 75-6104 and repealing the existing section.

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

Section 1. K.S.A. 1999 Supp. 75-6104 is hereby amended to read as follows: 75-6104. A governmental entity or an employee acting within the scope of the employee's employment shall not be liable for damages resulting from:

(a) Legislative functions, including, but not limited to, the adoption or failure to adopt any statute, regulation, ordinance or resolution;

(b) judicial function;

(c) enforcement of or failure to enforce a law, whether valid or invalid, including, but not limited to, any statute, rule and regulation, ordinance or resolution;

(d) adoption or enforcement of, or failure to adopt or enforce, any written personnel policy which protects persons' health or safety unless a duty of care, independent of such policy, is owed to the specific individual injured, except that the finder of fact may consider the failure to comply with any written personnel policy in determining the question of negligence;

(e) any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a governmental entity or employee, whether or not the discretion is abused and regardless of the level of discretion involved;

(f) the assessment or collection of taxes or special assessments;

(g) any claim by an employee of a governmental entity arising from the tortious conduct of another employee of the same governmental entity, if such claim is (1) compensable pursuant to the Kansas workers compensation act or (2) not compensable pursuant to the Kansas workers compensation act because the injured employee was a firemen's relief association member who was exempt from such act pursuant to K.S.A. 44-505d, and amendments thereto, at the time the claim arose;

(h) the malfunction, destruction or unauthorized removal of any traffic or road sign, signal or warning device unless it is not corrected by the governmental entity responsible within a reasonable time after actual or constructive notice of such malfunction, destruction or removal. Nothing herein shall give rise to liability arising from the act or omission of any governmental entity in placing or removing any of the above signs, signals or warning devices when such placement or removal is the result of a discretionary act of the governmental entity;

(i) any claim which is limited or barred by any other law or which is for injuries or property damage against an officer, employee or agent where the individual is immune from suit or damages;

(j) any claim based upon emergency management activities, except

(continued)

that governmental entities shall be liable for claims to the extent provided in article 9 of chapter 48 of the Kansas Statutes Annotated;

(k) the failure to make an inspection, or making an inadequate or negligent inspection, of any property other than the property of the governmental entity, to determine whether the property complies with or violates any law or rule and regulation or contains a hazard to public health or safety;

(l) snow or ice conditions or other temporary or natural conditions on any public way or other public place due to weather conditions, unless the condition is affirmatively caused by the negligent act of the governmental entity;

(m) the plan or design for the construction of or an improvement to public property, either in its original construction or any improvement thereto, if the plan or design is approved in advance of the construction or improvement by the governing body of the governmental entity or some other body or employee exercising discretionary authority to give such approval and if the plan or design was prepared in conformity with the generally recognized and prevailing standards in existence at the time such plan or design was prepared;

(n) failure to provide, or the method of providing, police or fire protection;

(o) any claim for injuries resulting from the use of any public property intended or permitted to be used as a park, playground or open area for recreational purposes, unless the governmental entity or an employee thereof is guilty of gross and wanton negligence proximately causing such injury;

(p) the natural condition of any unimproved public property of the governmental entity;

(q) any claim for injuries resulting from the use or maintenance of a public cemetery owned and operated by a municipality or an abandoned cemetery, title to which has vested in a governmental entity pursuant to K.S.A. 17-1366 through 17-1368, and amendments thereto, unless the governmental entity or an employee thereof is guilty of gross and wanton negligence proximately causing the injury;

(r) the existence, in any condition, of a minimum maintenance road, after being properly so declared and signed as provided in K.S.A. 68-5,102, and amendments thereto;

(s) any claim for damages arising from the performance of community service work other than damages arising from the operation of a motor vehicle as defined by K.S.A. 40-3103, and amendments thereto;

(t) any claim for damages arising from the operation of vending machines authorized pursuant to K.S.A. 68-432 or K.S.A. 75-3343a, and amendments thereto;

(u) providing, distributing or selling information from geographic information systems which includes an entire formula, pattern, compilation, program, device, method, technique, process, digital database or system which electronically records, stores, reproduces and manipulates by computer geographic and factual information which has been developed internally or provided from other sources and compiled for use by a public agency, either alone or in cooperation with other public or private entities;

(v) any claim arising from providing a juvenile justice program to juvenile offenders, if such juvenile justice program has contracted with the commissioner of juvenile justice or with another nonprofit program that has contracted with the commissioner of juvenile justice; or

(w) performance of, or failure to perform, any activity pursuant to K.S.A. 1999 Supp. 74-8922, and amendments thereto, including, but not limited to, issuance and enforcement of a consent decree agreement, oversight of contaminant remediation and taking title to any or all of the federal enclave described in such statute.

The enumeration of exceptions to liability in this section shall not be construed to be exclusive nor as legislative intent to waive immunity from liability in the performance or failure to perform any other act or function of a discretionary nature.

Sec. 2. K.S.A. 1999 Supp. 75-6104 is hereby repealed.

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

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 2674

AN ACT concerning agriculture; relating to grain commodity commissions; amending K.S.A. 2-3003 and 75-3170a and K.S.A. 1999 Supp. 2-3001, 2-3002, 2-3005, 2-3006, 2-3007, 2-3008, 2-3009, 2-3013 and 74-574 and repealing the existing sections; also repealing K.S.A. 2-2601, 2-2602, 2-2603, 2-2604, 2-2605, 2-2606, 2-2607, 2-2608, 2-2609, 2-2610 and 2-2612 and K.S.A. 1999 Supp. 2-2613.

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

Section 1. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3001 is hereby amended to read as follows: 2-3001. As used in this act, unless the context clearly requires otherwise, the following words and phrases shall have the meanings ascribed to them herein:

(a) "Grower" means any natural person, partnership, association or corporation or other legal entity engaged in the growing of corn, grain sorghum or soybeans or wheat who owns or who shares in the ownership and risk of loss of such corn, grain sorghum, soybeans or wheat, whether as landlord or tenant. For the purposes of being an eligible voter pursuant to K.S.A. 2-3002, and amendments thereto, a grower who is a legal entity who owns or who shares in the ownership and risk of loss of such corn, grain sorghum, soybeans or wheat, whether as landlord or tenant, on which there is no individual ownership and risk of loss of such corn, grain sorghum, soybeans or wheat, shall designate a natural person to register to vote for such legal entity;

(b) "first purchaser" means any person, public or private corporation, association or partnership buying or otherwise acquiring after harvest, the property in or to corn, grain sorghum or soybeans or wheat from a grower. A mortgagee, pledgee, lienor or other person, public or private, having a claim against the grower under a nonrecourse loan made against such corn, grain sorghum or soybeans or wheat after harvest thereof shall be deemed a first purchaser hereunder. The term "first purchaser" shall not include a harvesting or threshing lienor;

(c) "commercial channels" means the sale of corn, grain sorghum or soybeans or wheat for use as food, feed, seed or any industrial or chemurgic use, when sold to any commercial buyer, dealer, processor, cooperative, or to any person, public or private, who resells any corn, grain sorghum or soybeans or wheat or product produced from corn, grain sorghum or soybeans or wheat;

(d) "sale" means and includes any pledge or mortgage of corn, grain sorghum or soybeans or wheat, after harvest, to any person, public or private;

(e) "department" means the Kansas department of agriculture; and

(f) "secretary" means the secretary of agriculture or the secretary's authorized representative.

Sec. 2. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3002 is hereby amended to read as follows: 2-3002. (a) There are hereby created three separate and distinct commissions which shall be known as the Kansas corn commission, the Kansas grain sorghum commission and the Kansas soybean commission and the Kansas wheat commission. Such commissions shall be attached to and be a part of the department of agriculture. The membership of each such commission shall be appointed by the governor in the manner prescribed by this section. One member shall be appointed to the Kansas corn commission and the Kansas grain sorghum commission from each district as denoted by subsection (b). One member shall be appointed to the Kansas soybean commission from each district as denoted by subsection (c). For each commission the members shall serve for a term of four years, except that the members first appointed to the Kansas corn commission and the Kansas grain sorghum commission from districts I, II and III shall serve for four years, the members first appointed from districts IV, V and VI shall serve for three years and the members first appointed from districts VII, VIII and IX shall serve for two years, and except that the members first appointed to the Kansas soybean commission from districts I, II and III shall serve for four years, the members first appointed from districts IV, V and VI shall serve for three years and members first appointed from district VII shall serve for two years. Vacancies which may occur shall be filled for unexpired terms in the same manner. Upon the expiration of a term of a member of a commission, such member shall continue to serve as a member until a successor to such member is appointed and qualified. The dean of the college of agriculture of Kansas state university shall be an ex-officio member, without the right to vote, of each such commission. Each commission will have members elected through an election process as provided in subsection (b) to serve three-year terms, with the exception

of transition commissioners, serving from the effective date of this act until elections occur in 2002, 2003 and 2004, to represent a district or districts identified in section (b) with the following requirements:

(1) Any person meeting the requirements of K.S.A. 2-3003, and amendments thereto, of that commodity may seek election as a commissioner to that commodity's respective commission representing the district of such person's official residence. Only a grower of each specific commodity shall be a member of that specific commission;

(2) no commission shall have less than seven commissioners representing the nine crop reporting districts identified in subsection (h). If a commission has less than nine elected commissioners representing crop reporting districts, any commissioner representing multiple crop reporting districts may only represent commission districts equal to whole and adjoining crop reporting districts that are within the same election cycle; and

(3) each commission may, by majority approval of the commissions, appoint two additional at-large commissioners for added representation for producers due to geographical, cropping pattern or other reasonable commodity-specific needs. At-large commissioners will serve a term determined by the commodity commission not to exceed three-year terms of appointment, be a Kansas resident and must meet the definition of a grower.

(b) (1) Prior to the first election as provided by this act, each commodity commission shall notify all growers of its respective commodity of the commission election and all appropriate election procedures.

(2) Any grower of corn, grain sorghum, soybeans or wheat who is a resident of this state, of legal voting age and has been actively engaged in growing corn, grain sorghum, soybeans or wheat within the preceding three years shall become an eligible voter upon registering to vote in a commission election. Registration shall be on a single form allowing registration to any or all commission elections. Forms shall be provided by the commissions and made available at all county extension offices, county conservation district offices and through the office of the secretary. Any grower also shall become registered by signing a petition for a candidate to be placed on the election ballot, upon the filing of such petition. Candidate petition forms shall be provided by the office of the secretary. Registration by internet or other means shall also be allowed upon the approval of the secretary. No grower shall cast more than one ballot for any commission election.

(3) Any person meeting the qualifications to serve as a commissioner may appear on the election ballot for their respective commission district by submitting a petition to be placed on the ballot on or before October 31 in the year immediately preceding the election. The petition shall contain the signatures of 20 eligible voters of that commodity commission election to be a valid petition. However, no more than five petition signatures shall be used to qualify any candidate from any one county.

(4) Commission election ballots shall be mailed to eligible voters by January 15 and shall be returned to the election officer, as provided through the common election procedure required in subsection (e), on or before March 1 in the year of any election. Successful candidates in any election will have received the highest number of the votes cast. Election results will be announced as soon as the election has been determined with successful candidates taking office with terms effective April 1 in the year of the election.

(c) Upon the effective date of this act, each commission created shall meet as soon as feasible to organize, elect officers and ratify the number of commissioners and representative districts that commission shall maintain. Commissioners currently serving these commissions immediately prior to the effective date of this act are appointed to transition terms as follows: (1) Commissioners whose terms expire in June, 2000, shall have their terms extended until April, 2002; (2) commissioners whose terms expire in June, 2001, shall have their terms extended until April, 2003; and (3) commissioners whose terms expire in June, 2003, shall have their terms extended until April, 2004.

(d) Annual elections for up to three commissioners representing districts shall begin in January and February of 2002. Commissioners elected shall take office April 1 of the year elected and serve a three-year term. Elections will occur as follows and continue on a three-year cycle thereafter: (1) In districts IV, V and VI, the initial election year shall be 2002; (2) in districts I, II and III, the initial election year shall be 2003; and (3) in districts VII, VIII and IX, the initial election year shall be 2004.

(e) The four grain commissions, as provided in this act shall maintain on file a common election procedure with the secretary of the Kansas

department of agriculture, who will serve as the final arbitrator of any dispute regarding the election procedure.

(f) Any grower who appropriately registers to vote shall be able to do so in an election for any commissioner representing that commodity and district where the grower maintains such grower's official residence.

(g) Any challenge to election results for the position of commodity commissioner representing a district shall be initially reviewed by a panel of commissioners, not standing for election that year, and representing all four grain commissions. If the challenge is not resolved before the panel of commissioners, the secretary shall serve as the final arbitrator of the challenge to the election results.

(h) Vacancies which may occur shall be filled for unexpired terms by appointment by the remaining commissioners.

(i) The dean of the college of agriculture of Kansas state university and the secretary of the Kansas department of agriculture shall be ex officio members, without the right to vote, of each such commission. Districts are the same as crop reporting districts established for Kansas by the U.S. department of agriculture national agricultural statistic service and are as follows:

(j) District I shall consist of the following counties: Cheyenne, Decatur, Graham, Norton, Rawlins, Sheridan, Sherman and Thomas.

District II shall consist of the following counties: Gove, Greeley, Lane, Logan, Ness, Scott, Trego, Wallace and Wichita.

District III shall consist of the following counties: Clark, Finney, Ford, Grant, Gray, Hamilton, Haskell, Hodgeman, Kearny, Meade, Morton, Seward, Stanton and Stevens.

District IV shall consist of the following counties: Clay, Cloud, Jewell, Mitchell, Osborne, Ottawa, Phillips, Republic, Rooks, Smith and Washington.

District V shall consist of the following counties: Barton, Dickinson, Ellis, Ellsworth, Lincoln, McPherson, Marion, Rice, Rush, Russell and Saline.

District VI shall consist of the following counties: Barber, Comanche, Edwards, Harper, Harvey, Kingman, Kiowa, Pawnee, Pratt, Reno, Sedgwick, Stafford and Sumner.

District VII shall consist of the following counties: Atchison, Brown, Doniphan, Jackson, Jefferson, Leavenworth, Marshall, Nemaha, Pottawatomie, Riley and Wyandotte.

District VIII shall consist of the following counties: Anderson, Chase, Coffey, Douglas, Franklin, Geary, Johnson, Linn, Lyon, Miami, Morris, Osage, Shawnee and Wabaunsee.

District IX shall consist of the following counties: Allen, Bourbon, Butler, Chautauqua, Cherokee, Cowley, Crawford, Elk, Greenwood, Labette, Montgomery, Neosho, Wilson and Woodson.

(e) District I shall consist of the following counties: Nemaha, Brown, Doniphan, Jackson, Atchison, Jefferson, Leavenworth and Wyandotte.

—District II shall consist of the following counties: Shawnee, Douglas, Johnson, Osage, Franklin and Miami.

—District III shall consist of the following counties: Coffey, Anderson, Linn, Woodson, Allen and Bourbon.

—District IV shall consist of the following counties: Wilson, Neosho, Crawford, Montgomery, Labette and Cherokee.

—District V shall consist of the following counties: Jewell, Republic, Washington, Marshall, Mitchell, Cloud, Clay, Riley, Pottawatomie, Lincoln, Ottawa, Dickinson, Geary, Wabaunsee, Ellsworth, Saline, Morris and Lyon.

—District VI shall consist of the following counties: Rice, McPherson, Marion, Chase, Stafford, Reno, Harvey, Butler, Greenwood, Pratt, Kingman, Sedgwick, Barber, Harper, Sumner, Cowley, Elk and Chautauqua.

—District VII shall consist of the following counties: Cheyenne, Rawlins, Decatur, Norton, Phillips, Smith, Sherman, Thomas, Sheridan, Graham, Rooks, Osborne, Wallace, Logan, Gove, Trego, Ellis, Russell, Greeley, Wichita, Scott, Lane, Ness, Rush, Barton, Hamilton, Kearny, Finney, Hodgeman, Pawnee, Edwards, Stanton, Grant, Haskell, Gray, Ford, Kiowa, Morton, Stevens, Seward, Meade, Clark and Comanche.

(k) Meetings and any records of any commission created by this act shall be open to the public to the same extent as is required by law of public boards and commissions pursuant to the open records act and the open meetings act. Records shall include contracts entered into by any commission.

Sec. 3. On and after July 1, 2000, K.S.A. 2-3003 is hereby amended to read as follows: 2-3003. Members of each commission created pursuant

(continued)

to K.S.A. 2-3002, and amendments thereto, shall be residents of this state who have been actively engaged in growing corn, grain sorghums *sorghum* or, soybeans or wheat, as applicable, in this state for at least five (5) years immediately preceding his or her appointment. No more than a simple majority of the members of any such commission shall be of the same political party. Members of each such commission attending meetings of such commission shall be paid compensation, subsistence allowances, mileage and other expenses as provided by K.S.A. 75-2223 such member's election.

Sec. 4. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3005 is hereby amended to read as follows: 2-3005. (a) In the administration of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto this act, each commission as provided in this act shall have the following duties, authorities and powers:

- (1) To recommend to the secretary policy regarding marketing, campaigns of development, education and publicity for the Kansas grain commodity and products made therefrom represented by it;
 - (2) to recommend to the secretary the acceptance of grants and donations;
 - (3) to recommend the secretary enter into such contracts as may be necessary or advisable for the purposes of this act;
 - (4) to recommend that the secretary cooperate with any local, state, national or international organization or agency, whether voluntary or created by the law of any state or by federal law, engaged in work or activities similar to the work and activities of each commission, and to direct the secretary to enter into contracts with such agencies or organizations for carrying on campaigns of development, education or publicity;
 - (5) to be advisory to and cooperate and work with Kansas state university or other educational or research facilities regarding research and development connected with the grain commodities represented by each commission;
 - (6) to recommend that the secretary submit to the national board, established pursuant to public law 101-624, any reports required describing the manner and procedure for collection of the voluntary assessments established on soybeans pursuant to public law 101-624;
 - (7) to recommend that the secretary certify to the national board, established pursuant to public law 101-624, that assessments will be collected on all of the soybeans sold within the state;
 - (8) to recommend that the secretary certify to the national board, established pursuant to public law 101-624, that funds collected pursuant to the nationally established assessment will be remitted as required by the national board;
 - (9) to recommend that the secretary certify to the national board, established pursuant to public law 101-624, that requests for refunds will be honored; and
 - (10) to recommend that the secretary perform such other duties as may be necessary to comply with public law 101-624 pertaining to the national checkoff program for soybeans and any rules, regulations or marketing orders promulgated or issued thereunder.
- (b) Notwithstanding any provision of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, or other law to the contrary, any determination by the secretary regarding any recommendation by a commission pursuant to subsection (a) may be disapproved by a vote of 2/3 of the members of the commission but nothing herein shall be construed as authorizing such commission to abrogate, limit or otherwise affect the power of the secretary to administer and supervise the internal operations and management of the department of agriculture.
- (a) To conduct a campaign of grain commodity promotion and market development through research, education and information;
 - (b) to accept grants and donations;
 - (c) to sue and be sued;
 - (d) to contract with the secretary for the collection of assessments pursuant to the provisions of this act and to enter into any other such contracts as may be necessary or advisable for the purpose of this act;
 - (e) to appoint an administrator who is knowledgeable about the grain commodity and fix the compensation. With the approval of the commission, the administrator may appoint such other personnel as needed. The administrator and any other personnel appointed as provided in this subsection shall not be employees of the state of Kansas;
 - (f) to cooperate or contract with any local, state or national organization or agency, whether voluntary or created by the law of any state, or by national law, engaged in work or activities similar to the work and

activities of the commission, and to enter into contracts and agreements with such organizations or agencies for carrying on a joint campaign of research, education and promotion;

(g) to bring any suit or action for the collection of assessments provided under this act;

(h) to establish an office of administrator at any place in this state the commission may select;

(i) to adopt, rescind, modify and amend all necessary and proper orders, resolutions and rules and regulations for the procedure and exercise of its powers and the performance of its duties;

(j) to approve an annual budget and establish a reserve. Each project budgeted and approved by the commission shall include a stated objective and anticipated results; and

(k) to report annually to their respective commodity growers, the secretary and house and senate agriculture committees of the Kansas legislature. Such annual report shall include details of commission projects, programs and supported research including expenditures and the results of an annual audit performed by a person or entity that is a certified public accountant. Any commission year end reserve balance exceeding 125% of the previous five-year rolling average for annual expenditures for such commission also shall be reported.

Sec. 5. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3006 is hereby amended to read as follows: 2-3006. The secretary shall have the following duties, authorities and powers to:

- (1) Implement and coordinate the policies and practices of each grain commission represented by it;
- (2) sue and be sued;
- (3) prosecute in the name of Kansas any suit or action for the collection of the assessments provided under article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto;
- (4) adopt rules and regulations deemed necessary for the exercise of its powers and the performance of its duties under article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto;
- (5) hire, subject to the approval of a majority of the members of the commission affected, an administrator for such commission;
- (6) hire such clerical and other personnel deemed necessary to carry out the provisions of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto;
- (7) Hire such clerical and other personnel deemed necessary to carry out the provisions of this act;
- (8) establish recordkeeping requirements deemed necessary by the commodity commission affected; and
- (9) inspect and audit any records required to be kept pursuant to article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto; this act; and
- (4) contract with the corn, grain sorghum, soybean and wheat commissions for the collection of assessment as provided by this act and enter into any other contracts necessary to carry out the provisions of this act.

Sec. 6. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3007 is hereby amended to read as follows: 2-3007. (a) There is hereby levied an assessment of five mills per bushel upon grain sorghum marketed through commercial channels in the state of Kansas. The grain sorghum commission shall set the assessment at a rate of not more than five mills per bushel. There is hereby levied an assessment of five mills per bushel upon corn marketed through commercial channels in the state of Kansas. The corn commission shall set the assessment at a rate of not more than five mills per bushel. There is hereby levied an assessment upon soybeans marketed through commercial channels in the state of Kansas. The soybean commission shall set the assessment at a rate of not more than 20 mills per bushel. The soybean commission shall not change the assessment rate; either to increase or reduce, more than once a year. The soybean commission shall set the assessment at a rate of not more than 20 mills per bushel. There is hereby levied an assessment upon wheat marketed through commercial channels in the state of Kansas. The wheat commission shall set the assessment at a rate of not more than 10 mills per bushel. Any commission shall not change the assessment rate, either to increase or reduce, more than once a year. Such assessment shall be levied and assessed to the grower at the time of sale, and shall be shown as a deduction by the first purchaser from the price paid in settlement to the grower. Under the provisions of this act, no corn, grain sorghum or, soybeans or wheat shall be subject to the assessment more than once. The secretary commission shall furnish to every first purchaser receipt forms which shall be issued by such first purchaser to the grower upon the

payment of such assessment. The form shall indicate thereon the procedure by which the grower may obtain a refund of any such assessment, except a refund shall not be issued unless the amount of the refund is \$5 or more. Within one year after any and all sales during such period the grower may upon submission of a request therefor to the secretary commission, obtain a refund in the amount of the assessments deducted by the first purchaser. Such request shall be accompanied by evidence of the payment of the assessments which need not be verified.

(b) The secretary commission shall keep complete records of all refunds made under the provisions of this section. Records of refunds may be destroyed two years after the refund is made. All funds expended by the commission in the administration of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, this act and for the payment of all claims whatsoever growing out of the performance of any duties or activities pursuant to article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, this act shall be paid from the proceeds derived from such assessment. In the case of a lien holder who is a first purchaser as defined herein in this act, the assessment shall be deducted by the lien holder from the proceeds of the claim secured by such lien at the time the corn, grain sorghum or, soybeans or wheat are pledged or mortgaged. The assessment shall constitute a preferred lien and shall have priority over all other liens and encumbrances upon such corn, grain sorghum or, soybeans or wheat. The assessment shall be deducted and paid as herein provided in this section whether such corn, grain sorghum or, soybeans or wheat are stored in this or any other state.

(c) Any corn or, grain sorghum, soybean or wheat acquired by a grower as defined in K.S.A. 2-3001, and amendments thereto, under the provisions of any federal payment-in-kind (PIK) program shall be subject to the provisions of this section.

(d) No assessments for soybeans shall be collected pursuant to subsection (a) while the national checkoff program for soybeans, established pursuant to public law 101-624, remains in effect. Collection of assessments pursuant to subsection (a) shall be reinstated upon the withdrawal of the national checkoff program for soybeans, established pursuant to public law 101-624.

Sec. 7. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3008 is hereby amended to read as follows: 2-3008. (a) Except as provided in K.S.A. 2-3012, and amendments thereto, The assessment hereby imposed pursuant to this act shall on or before the 20th day of the calendar month following the date of settlement be paid by the purchaser to the secretary. The secretary shall issue a receipt to the purchaser therefor and shall remit all moneys received in payment of such assessment to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury. Twenty percent of each such deposit shall be credited to the state general fund and the amount of the balance of each such deposit which is derived from the assessment of each respective grain shall be credited to the Kansas corn commission fund, the Kansas grain sorghum commission fund and the Kansas soybean commission fund, respectively. Money derived from the assessment of each respective grain shall be credited only to the fund established for such grain. Whenever refunds are made from the Kansas corn commission fund, the Kansas grain sorghum commission fund or the Kansas soybean commission fund, the amounts credited to the state general fund from subsequent deposits in the state treasury pursuant to this section shall be reduced by amounts which equal 20% of such refunds.

(b) All money so credited to the Kansas corn commission fund, Kansas grain sorghum commission fund and Kansas soybean commission fund shall be expended for the respective grain commissions in the administration of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, and for the payment of claims based upon obligations incurred in the performance of the activities and functions set forth in article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, and for no other purpose.

(c) All expenditures from such funds shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for each respective grain commission or by a person or persons designated by the secretary.

(d) Assessments collected pursuant to the national checkoff program for soybeans, established pursuant to public law 101-624 shall be deposited in the soybean promotion and research fee fund, created in K.S.A. 2-3013, and amendments thereto, for such assessment. The secretary shall

deposit all moneys received in payment of such assessment in a bank account established in the name of the commission in accordance with the provisions of this act.

(b) Each bank account used in operating and conducting the commission's duties shall be secured by a pledge of securities in the manner prescribed for state bank accounts as provided under K.S.A. 75-4218, and amendments thereto.

Sec. 8. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3009 is hereby amended to read as follows: 2-3009. If any the grain assessment is not paid to the secretary as provided in article 30 of chapter 2 of the Kansas Statutes Annotated K.S.A. 2-3007, and amendments thereto, or within 10 days thereafter, the lien thereby created shall may within one year after the expiration of such 10-day period be foreclosed after the expiration of such ten-day period in the district court of in any court having jurisdiction in the county in which the grain was grown, or sold, or in which such grain may be found, or in which such grain may have been commingled with other like grain.

Sec. 9. On and after July 1, 2000, K.S.A. 1999 Supp. 2-3013 is hereby amended to read as follows: 2-3013. (a) Any assessment collected pursuant to the national checkoff program for soybeans, established pursuant to public law 101-624, shall be paid to the division commission on or before the 20th day of the calendar year following the date of settlement and shall be paid by the purchaser of the soybeans to the secretary. The secretary shall issue a receipt to the purchaser and shall remit all moneys received in payment of such assessment to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury. Twenty percent of that portion of each deposit that will be retained by the state soybean commission shall be credited to the state general fund pursuant to subsection (d)(4) of K.S.A. 75-3170a, and amendments thereto, and the amount of the balance of each deposit which is derived from the assessment shall be credited to the soybean promotion and research fee fund which is hereby created: commission.

(b) Whenever refunds are made from the national checkoff program for soybeans, established pursuant to public law 101-624, such refunds shall be made as authorized by public law 101-624.

(c) All money so credited to the soybean promotion and research fee fund commission shall be expended for the soybean commission in the administration of the national checkoff program for soybeans, established pursuant to public law 101-624, the administration of article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, and for the payment of claims upon obligations incurred in the performance of the activities and functions set forth in article 30 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, and for no other purpose.

(d) All expenditures made from these funds shall be in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for the soybean commission or by a person or persons designated by the secretary.

(e) The Kansas soybean commission shall have the ability to pay and transfer portions of the assessments collected pursuant to the national checkoff program for soybeans, established pursuant to public law 101-624, to the national board as required.

New Sec. 10. (a) Except for funds necessary to pay payroll expenses incurred through June 30, 2000, and payable in July, 2000, on and after July 1, 2000, the balance of all funds and all liabilities associated with the grain commodities pursuant to K.S.A. 2-2601 et seq. as in effect prior to July 1, 2000, and K.S.A. 2-3001 et seq., and amendments thereto, shall be paid and liabilities be transferred to each respective commission created by this act. Any remaining funds of the money retained for payroll expenses shall be paid to the respective commission created by this act.

(b) Except as otherwise provided by this act, all of the powers, duties and functions of the department of agriculture with regard to the corn, grain sorghum and soybean commission and the Kansas wheat commission are hereby transferred to and conferred and imposed upon the respective corn, grain sorghum, soybean and wheat commissions established by the act.

(c) Except as otherwise provided by this act, the corn, grain sorghum, soybean and wheat commissions established by this act shall be the successor in every way to the powers, duties and functions of the department of agriculture with regard to the corn, grain sorghum and soybean com-

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missions and the Kansas wheat commission in which the same were vested prior to July 1, 2000. Every act performed in the exercise of such powers, duties and functions by or under the authority of the department of agriculture with regard to the corn, grain sorghum and soybean commissions and the Kansas wheat commission established by this act shall be deemed to have the same force and effect as if performed by the respective corn, grain sorghum, soybean and wheat commission, respectively in which such powers, duties and functions were vested prior to July 1, 2000.

(d) Except as otherwise provided by this act, whenever the department of agriculture with regard to the corn, grain sorghum and soybean commissions and the Kansas wheat commission, or words of like effect, is referred to or designated by a statute, contract or other document, such reference or designation shall be deemed to apply to the respective corn, grain sorghum, soybean and wheat commission established by this act.

(e) On the effective date of this act, all property of the Kansas wheat commission prior to July 1, 2000, shall become the property of the wheat commission established by this act.

New Sec. 11. On and after July 1, 2000, there is hereby created in the state treasury the grain commodities commission services fund. All moneys received by the department of agriculture for services performed by the department for the grain commodities commission created pursuant to the provisions of K.S.A. 2-3001 *et seq.* and section 10, and amendments thereto, shall be remitted to the state treasurer. The state treasurer shall deposit the entire amount in the state treasury and credit it to the grain commodities commission services fund. All costs and expenses incurred by the department in providing services to the grain commodities commissions shall be paid from the grain commodities commission services fund. All expenditures from the grain commodities commission services fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary.

Sec. 12. On and after July 1, 2000, K.S.A. 1999 Supp. 74-574 is hereby amended to read as follows: 74-574. The following programs and functions are hereby transferred from the division of marketing, department of agriculture, and conferred upon the secretary of agriculture: (a) The functions relating to standards, grades, and classifications for agricultural products and receptacles, pursuant to K.S.A. 74-531, 74-532, and 74-534, and amendments thereto; (b) the functions relating to labeling of agricultural products established under K.S.A. 2-2306, and amendments thereto; and (c) the functions relating to grain commissions established under K.S.A. 2-2901 through 2-3013, and amendments, and (d) functions relating to the grape and wine industry advisory council established by K.S.A. 1999 Supp. 74-552, and amendments thereto.

Sec. 13. K.S.A. 75-3170a is hereby amended to read as follows: 75-3170a. (a) The 20% credit to the state general fund required by K.S.A. 1-204, 2-2609, 2-3008, 2-3013, 9-1703, 16-609, 16a-2-302, 17-1271, 17-2236, 17-5609, 17-5610, 17-5612, 17-5701, 20-1a02, 20-1a03, 31-133a, 31-134, 44-324, 44-926, 47-820, 49-420, 55-155, 55-176, 55-609, 55-711, 55-901, 58-2011, 58-3074, 58-4107, 65-6b10, 65-1718, 65-1817a, 65-2011, 65-2855, 65-2911, 65-4610, 65-5413, 65-5513, 66-1-155, 66-1503, 74-715, 74-1193, 74-1405, 74-1503, 74-1609, 74-2704, 74-3903, 74-5305, 74-7009, 74-7506, 75-1119b, 75-1308 and 75-1514 and 2-3506, 84-9-411 and 84-9-413, and amendments thereto, is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services, and any and all other state governmental services, which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

(b) Nothing in this act or in the sections amended by this act or referred to in subsection (a), shall be deemed to authorize remittances to be made less frequently than is authorized under K.S.A. 75-4215 and amendments thereto.

(c) Notwithstanding any provision of any statute referred to in or amended by this act or referred to in subsection (a), whenever in any fiscal year such 20% credit to the state general fund in relation to any particular fee fund is \$200,000, in that fiscal year the 20% credit no longer shall apply to moneys received from sources applicable to such fee fund and for the remainder of such year the full 100% so received shall be credited to such fee fund, except as otherwise provided in subsection (d) and except that during the fiscal year ending June 30, 1993, with respect to the fire marshal fee fund, when the 20% credit to the state general fund prescribed by K.S.A. 31-133a, 31-134 and 75-1514 and amendments thereto, in the aggregate, is \$400,000, then in that fiscal year such 20%

credit no longer shall apply to moneys received from sources applicable to the fire marshal fee fund and for the remainder of such fiscal year the full 100% so received shall be credited to the fire marshal fee fund.

(d) Notwithstanding any provision of K.S.A. 2-2600 and 2-3008 and amendments thereto or any provision of any statute referred to in subsection (a), the 20% credit to the state general fund no longer shall apply to moneys received from sources applicable to the grain research and market development agencies funds, as specified for each such fund by this subsection, and for the remainder of a fiscal year the full 100% of the moneys so received shall be credited to the appropriate fund of such funds, whenever in any fiscal year:

—(1) With respect to the Kansas wheat commission fund, such 20% credit to the state general fund in relation to such fund in that fiscal year is equal to that portion of \$100,000 that bears the same proportion to \$100,000 as the amount credited to the Kansas wheat commission fund during the preceding fiscal year bears to the total of the amounts credited to the Kansas wheat commission fund, the Kansas corn commission fund, the Kansas grain sorghum commission fund and the Kansas soybean commission fund during the preceding fiscal year;

—(2) with respect to the Kansas corn commission fund, such 20% credit to the state general fund in relation to such fund in that fiscal year is equal to that portion of \$100,000 that bears the same proportion to \$100,000 as the amount credited to the Kansas corn commission fund during the preceding fiscal year bears to the total of the amounts credited to the Kansas wheat commission fund, the Kansas corn commission fund, the Kansas grain sorghum commission fund and the Kansas soybean commission fund during the preceding year;

—(3) with respect to the Kansas grain sorghum commission fund, such 20% credit to the state general fund in relation to such fund in that fiscal year is equal to that portion of \$100,000 that bears the same proportion to \$100,000 as the amount credited to the Kansas grain sorghum commission fund during the preceding fiscal year bears to the total of the amounts credited to the Kansas wheat commission fund, the Kansas corn commission fund, the Kansas grain sorghum commission fund and the Kansas soybean commission fund during the preceding fiscal year; and

—(4) with respect to the Kansas soybean commission fund, such 20% credit to the state general fund in relation to such fund in that fiscal year is equal to that portion of \$100,000 that bears the same proportion to \$100,000 as the amount credited to the Kansas soybean commission fund during the preceding fiscal year bears to the total of the amounts credited to the Kansas wheat commission fund, the Kansas corn commission fund, the Kansas grain sorghum commission fund and the Kansas soybean commission fund during the preceding fiscal year.

—(e) As used in this section, "grain research and market development agencies" means the Kansas wheat commission, the Kansas corn commission, the Kansas grain sorghum commission and the Kansas soybean commission. Such agencies have been created to fund appropriate research projects; to conduct campaigns of development, education and publicity; and to find new markets or maintain existing markets for commodities and products made from these commodities, among their other duties. Such grain research and market development agencies shall be funded by an assessment collected from the grower at the time of the sale of such commodity by the first purchaser. The assessment shall be sent to the proper grain research and market development agency.

New Sec. 14. (a) Employment positions in the Kansas wheat commission shall be abolished effective June 30, 2000. Thirty-day notice prior to June 30, 2000, shall be given by the chairman of the wheat commission to employees in the positions abolished by this act. No bumping rights shall attach to the abolished positions. No further action shall be required in order to abolish these positions.

(b) The provisions of this section shall take effect May 31, 2000.

New Sec. 15. (a) Those positions in the department of agriculture which, in the opinion of the secretary of agriculture, are not necessary to perform the powers, duties and functions of the department of agriculture concerning administration of the grain commodity commissions shall be abolished on June 30, 2000. Thirty-day notice prior to June 30, 2000, shall be given by the secretary of agriculture to employees in those positions determined to be unnecessary by the secretary. No bumping rights shall attach to the positions deemed unnecessary by the secretary of agriculture. No further action shall be required in order to abolish these positions.

(b) The provisions of this section shall take effect May 31, 2000.

Sec. 16. On and after July 1, 2000, K.S.A. 2-2601, 2-2602, 2-2603, 2-

2604, 2-2605, 2-2606, 2-2607, 2-2608, 2-2609, 2-2610, 2-2612, 2-3003 and 75-3170a and K.S.A. 1999 Supp. 2-2613, 2-3001, 2-3002, 2-3005, 2-3006, 2-3007, 2-3008, 2-3009, 2-3013 and 74-574 are hereby repealed.

Sec. 17. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

SENATE Substitute for HOUSE BILL No. 2945

AN ACT relating to telecommunications services; establishing the enhanced 911 task force.

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

Section 1. (a) There is hereby established an enhanced 911 task force which shall develop a strategy for funding and deploying wireless emergency telephone services. Such plan shall include suggestions for future action by the legislature with respect to deploying efficient and economical enhanced 911 services and implementing equitable and adequate means to fund such services. Specifically, the task force shall make recommendations and propose legislation, if appropriate, concerning the following: (1) The mechanism for administering wireless 911 service, with a focus on whether such service shall be administered on a centralized basis; (2) the possible formation of an oversight board to address future technological, coordination and regulatory issues related to deployment of wireless emergency telephone service; (3) the fairness and adequacy of the mechanism for funding such service; (4) the method, if any, for recovering costs incurred by public safety answering points and by wireless telecommunications service providers in providing emergency telephone service; and (5) any other issues the task force deems relevant to the deployment of emergency telephone service.

(b) The task force shall consist of 14 members. Two members shall be representatives of wireless telecommunications carriers to be appointed by the governor. The remainder of the task force shall be appointed as follows: One member representing a local exchange carrier other than a rural telephone company and one member representing a rural telephone company who shall be recommended by the Kansas telecommunications industry association. Two members shall be recommended by the Kansas association of counties and two members shall be recommended by the league of Kansas municipalities. One member shall be a person with a communication disability recommended by the Kansas commission for the deaf and hard of hearing. One member shall be recommended by the Kansas emergency medical services board. One member shall be recommended by the Kansas association of fire chiefs. One member shall be recommended by the Kansas association of chiefs of police. The names of the recommended members shall be transmitted to the governor for final approval. No such recommended member shall serve unless approved by the governor. The remaining members of the task force shall include: The superintendent of the highway patrol or the superintendent's designee; the chair of the state corporation commission or the chair's designee. The governor shall designate one member as chair of the task force. All meetings shall be on call of the chair. All task force members shall serve without compensation.

(c) The task force shall report its findings and conclusion to the house committee on utilities and the senate committee on commerce during the first week of the 2001 legislative session. The state corporation commission shall provide staff support to the task force as necessary. Such staff shall prepare the report and any legislation recommended by the task force.

(d) The task force shall be and is hereby abolished on July 1, 2001.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 2648

AN ACT concerning the state treasurer; relating to unclaimed property; relating to state moneys; relating to municipal bond program fees; amending K.S.A. 10-506, 10-603, 10-627, 58-3955, 58-3956, 58-3965, 58-3968, 75-4203 and 75-4204 and K.S.A. 1999 Supp. 58-3934, 58-3935 and 58-3952 and repealing the existing sections.

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

New Section 1. (a) Notwithstanding the provisions of subsection (b) of K.S.A. 58-3953, and amendments thereto, United States savings bonds which are unclaimed property and subject to the provisions of K.S.A. 58-3934 *et seq.*, and amendments thereto, shall escheat to the state of Kansas three years after becoming unclaimed property and subject to the provisions of K.S.A. 58-3934 *et seq.*, and amendments thereto, and all property rights to such United States savings bonds or proceeds from such bonds shall vest solely in the state of Kansas.

(b) Within 180 days after the three years in subsection (a), if no claim has been filed in accordance with the provisions of K.S.A. 58-3934 *et seq.*, and amendments thereto, for such United States savings bonds, the administrator shall commence a civil action in the district court of Shawnee county for a determination that such United States savings bonds shall escheat to the state. The administrator may postpone the bringing of such action until sufficient United States savings bonds have accumulated in the administrators custody to justify the expense of such proceedings.

(c) If no person shall file a claim or appear at the hearing to substantiate a claim or where the court shall determine that a claimant is not entitled to the property claimed by such claimant, then the court, if satisfied by evidence that the administrator has substantially complied with the laws of this state, shall enter a judgment that the subject United States savings bonds have escheated to the state.

(d) The administrator shall redeem such United States savings bonds escheated to the state and the proceeds from such redemption of United States savings bonds shall be deposited in the state general fund in accordance with the provisions of K.S.A. 58-3956, and amendments thereto.

New Sec. 2. Any person making a claim for the United States savings bonds escheated to the state under section 1, and amendments thereto, or for the proceeds from such bonds, may file a claim in accordance with the provisions of K.S.A. 58-3934, *et seq.*, and amendments thereto. Upon providing sufficient proof of the validity of such person's claim, the administrator may pay such claim in accordance with the provisions of K.S.A. 58-3934 *et seq.*, and amendments thereto.

Sec. 3. K.S.A. 1999 Supp. 58-3934 is hereby amended to read as follows: 58-3934. As used in this act:

(a) "Administrator" means the state treasurer.

(b) "Apparent owner" means the person whose name appears on the records of the holder as the person entitled to property held, issued or owing by the holder.

(c) "Business association" means a corporation, joint-stock company, investment company, partnership, unincorporated association, joint venture, limited liability company, business trust, trust company, land bank, safe deposit company, safekeeping depository, financial organization, insurance company, mutual fund, utility or other business entity consisting of one or more persons, whether or not for profit or the United States government or any agency or subdivision thereof.

(d) "Domicile" means the state of incorporation of a corporation and the state of the principal place of business of a holder other than a corporation.

(e) "Financial organization" means a savings and loan association, building and loan association, savings bank, industrial bank, bank, banking organization or credit union.

(f) "Holder" means a person obligated to hold for the account of, or deliver or pay to, the owner property that is subject to this act.

(g) "Insurance company" means an association, corporation, fraternal or mutual benefit organization, whether or not for profit, engaged in the business of providing life endowments, annuities or insurance, including accident, burial, casualty, credit life, contract performance, dental, disability, fidelity, fire, health, hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection and workers compensation insurance.

(h) "Last known address" means a description of the location of the apparent owner sufficient for the purpose of the delivery of mail.

(continued)

(i) "Mineral" means oil, gas, uranium, sulphur, lignite, coal and any other substance that is ordinarily and naturally considered a mineral, regardless of the depth at which the oil, gas, uranium, sulphur, lignite, coal or other substance is found.

(j) "Mineral proceeds" means amounts payable for the extraction, production or sale of minerals, or, upon abandonment of those payments, all payments that become payable thereafter. The term includes amounts payable:

(1) For the acquisition and retention of a mineral lease, including bonuses, royalties, compensatory royalties, shut-in royalties, minimum royalties and delay rentals;

(2) for the extraction, production or sale of minerals, including net revenue interests, royalties, overriding royalties, extraction payments and production payments; and

(3) under an agreement or option, including a joint operating agreement, unit agreement, pooling agreement and farm-out agreement.

(k) "Money order" includes an express money order and a personal money order, on which the remitter is the purchaser. The term does not include a bank money order or any other instrument sold by a financial organization if the seller has obtained the name and address of the payee.

(l) "Owner" means a person who has a legal or equitable interest in property subject to this act or the person's legal representative. The term includes a depositor in the case of a deposit, a beneficiary in the case of a trust other than a deposit in trust and a creditor, claimant or payee in the case of other property.

(m) "Person" means an individual, business association, financial organization, estate, trust, state or other government, governmental subdivision, agency or instrumentality or any other legal or commercial entity.

(n) "Property" means tangible property described in K.S.A. 58-3939 and amendments thereto; or a fixed and certain interest in intangible property that is held, issued or owed in the course of a holder's business, or by a state or other government, governmental subdivision, agency or instrumentality and all income or increments therefrom. The term includes property that is referred to as or evidenced by:

(1) Money, a check, draft, deposit, interest or dividend;

(2) credit balance, customer's overpayment, security deposit, refund, credit memorandum, unpaid wage, mineral proceeds or unidentified remittance;

(3) stock or other evidence of ownership of an interest in a business association or financial organization;

(4) a bond, debenture, note or other evidence of indebtedness;

(5) money deposited to redeem stocks, bonds, coupons or other securities or to make distributions;

(6) an amount due and payable under the terms of an annuity or insurance policy, including policies providing life insurance, property and casualty insurance, workers compensation insurance or health and disability insurance; and

(7) an amount distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance or similar benefits.

(o) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in a perceivable form.

(p) "State" means any state of the United States, the District of Columbia, the commonwealth of Puerto Rico or any territory, insular possession or any other area subject to the jurisdiction of the United States.

(q) "Utility" means a person who owns or operates for public use any plant, equipment, property, franchise or license for the transmission of communications or the production, storage, transmission, sale, delivery or furnishing of electricity, water, steam or gas.

Sec. 4. K.S.A. 1999 Supp. 58-3935 is hereby amended to read as follows: 58-3935. (a) Property is presumed abandoned if it is unclaimed by the apparent owner during the time set forth below for the particular property:

(1) Traveler's check, 15 years after its issuance;

(2) money order, seven years after issuance;

(3) except as provided in K.S.A. 58-3943, and amendments thereto, stock or other equity interest in a business association or financial organization, including a security entitlement under article 8 of the uniform commercial code, five years after the earlier of:

(A) The date of the most recent dividend, stock split or other distribution unclaimed by the apparent owner; or

(B) the date of the second mailing of a statement of account or other notification or communication that was returned as undeliverable or after the holder discontinued mailings, notifications or communications to the apparent owner;

(4) debt of a business association or financial organization, other than a bearer bond or an original issue discount bond, five years after the date of the most recent interest payment unclaimed by the apparent owner;

(5) a demand, savings or time deposit, including a deposit that is automatically renewable, five years after the earlier of maturity or the date of the last indication by the owner of interest in the property, except that a deposit that is automatically renewable is deemed matured for purposes of this section upon its initial date of maturity, unless the owner has consented to a renewal at or about the time of the renewal and the consent is in writing or is evidenced by a memorandum or other record on file with the holder;

(6) money or credits owed to a customer as a result of a retail business transaction, five years after the obligation accrued;

(7) amount owed by an insurer on a life or endowment insurance policy or an annuity that has matured or terminated, three years after the obligation to pay arose or, in the case of a policy or annuity payable upon proof of death, three years after the insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve is based;

(8) property distributable by a business association or financial organization in a course of dissolution, one year after the property becomes distributable;

(9) property received by a court as proceeds of a class action, and not distributed pursuant to the judgment, one year after the distribution date;

(10) property held by a court, state or other government, governmental subdivision, agency or instrumentality, one year after the property becomes distributable;

(11) wages or other compensation for personal services, one year after the compensation becomes payable;

(12) deposit or refund owed to a subscriber by a utility, one year after the deposit or refund becomes payable;

(13) property held by agents and fiduciaries in a fiduciary capacity for the benefit of another person, five years after it has become payable or distributable, unless the owner has increased or decreased the principal, accepted payment of principal or income, communicated concerning the property or otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by the fiduciary;

(14) property in an individual retirement account, defined benefit plan or other account or plan that is qualified for tax deferral under the income tax laws of the United States, three years after the earliest of the date of the distribution or attempted distribution of the property, the date of the required distribution as stated in the plan or trust agreement governing the plan, or the date, if determinable by the holder, specified in the income tax laws of the United States by which distribution of the property must begin in order to avoid a tax penalty;

(15) all other property, five years after the owner's right to demand the property or after the obligation to pay or distribute the property arises, whichever first occurs; and

(16) any proceeds of a sale pursuant to K.S.A. 58-817, and amendments thereto, which remain after satisfaction of the lien provided by K.S.A. 58-816, and amendments thereto, that have been unclaimed by the owner for one year from receipt of the proceeds of the sale and satisfaction of the lien.

(b) At the time that an interest is presumed abandoned under subsection (a) any other property right accrued or accruing to the owner as a result of the interest, and not previously presumed abandoned, is also presumed abandoned.

(c) Property is unclaimed if, for the applicable period set forth in subsection (a), the apparent owner has not communicated in writing or by other means reflected in a contemporaneous record prepared by or on behalf of the holder, with the holder concerning the property or the account in which the property is held, and has not otherwise indicated an interest in the property. A communication with an owner by a person other than the holder or the holder's representative who has not in writing identified the property to the owner is not an indication of interest in the property by the owner.

(d) An indication of an owner's interest in property includes:

(1) The presentment of a check or other instrument of payment of a dividend or other distribution made with respect to an account or underlying stock or other interest in a business association or financial organization or, in the case of a distribution made by electronic or similar means, evidence that the distribution has been received;

(2) owner-directed activity in the account in which the property is held, including a direction by the owner to increase, decrease or change the amount or type of property held in the account;

(3) the making of a deposit to or withdrawal from a bank account; and

(4) the payment of a premium with respect to a property interest in an insurance policy, except that the application of an automatic premium loan provision or other nonforfeiture provision contained in an insurance policy does not prevent a policy from maturing or terminating if the insured has died or the insured or the beneficiary of the policy has otherwise become entitled to the proceeds before the depletion of the cash surrender value of a policy by the application of those provisions.

(e) Property is payable or distributable for the purpose of this act notwithstanding the owner's failure to make demand or to present any instrument or document otherwise required to obtain payment.

(f) Any demand or savings account or *matured timed deposit* with a financial organization shall not be presumed abandoned if regular correspondence to an owner of the account has not been returned to the sender.

(g) Any outstanding check, draft, credit balance, customer's overpayment or unidentified remittance issued to a sole proprietorship or business association as part of a commercial transaction in the ordinary course of a holder's business shall not be presumed abandoned.

(h) A holder may not impose with respect to any property payable or distributable for the purpose of this act, including any income or increment derived therefrom, any fee or charge due to dormancy or inactivity or cease payment of interest unless:

(1) There is an enforceable written contract between the holder and the owner of the property pursuant to which the holder may impose a charge or cease payment of interest;

(2) for property in excess of \$100, the holder, no more than three months before the initial imposition of those charges or cessation of interest, has mailed written notice to the owner of the amount of those charges at the last known address of the owner stating that those charges will be imposed or that interest will cease, but the notice provided in this section need not be given with respect to charges imposed or interest ceased before the effective date of this act, or for property described in K.S.A. 58-3937 and 58-3938, and amendments thereto; and

(3) the holder regularly imposes such charges or ceases payment of interest and in no instance reverses or otherwise cancels them or retroactively credits interest with respect to the property. Charges imposed because of dormancy or inactivity may be made and collected monthly, quarterly or annually except that beginning with the effective date of this act, such charges may only be imposed for a maximum of five calendar years.

(i) For the purpose of this section, a person who holds property as an agent for a business association is deemed to hold the property in a fiduciary capacity for that business association alone unless the agreement between the agent and the business association provides otherwise.

(j) For the purposes of this act, a person who is deemed to hold property in a fiduciary capacity for a business association alone is the holder of the property only insofar as the interest of the business association in the property is concerned, and the business association is the holder of the property insofar as the interest of any other person in the property is concerned.

(k) *Any property held by a financial organization that would otherwise be presumed abandoned under this section shall not be presumed abandoned if the apparent owner:*

(1) *Owms other property which is not presumed abandoned and if the financial organization communicates in writing with the owner with regard to the property that would otherwise be presumed abandoned under this section at the address to which communications regarding the other property regularly are sent; or*

(2) *had another relationship with the financial organization concerning which the owner has:*

(A) *Communicated in writing with the financial organization; or*

(B) *otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by an employee of the financial organi-*

zation and if the financial organization communicates in writing with the owner with regard to the property that would otherwise be abandoned under this section at the address to which communications regarding the other relationship regularly are sent.

Sec. 5. K.S.A. 1999 Supp. 58-3952 is hereby amended to read as follows: 58-3952. (a) At the time of the filing of the report required by subsection (d) of K.S.A. 58-3950 and amendments thereto and with that report, the holder of property presumed abandoned shall pay, deliver or cause to be paid or delivered to the administrator the property described in the report as unclaimed, but if, *at the time provided for delivery of the property is an automatically renewable deposit* and a penalty or forfeiture in the payment of interest would result, the time for compliance is extended until a penalty or forfeiture would no longer result.

(b) If the property reported to the administrator is a security or security entitlement under article 8 of the uniform commercial code, the administrator is an appropriate person to make an endorsement, instruction or entitlement order on behalf of the apparent owner to invoke the duty of the issuer or its transfer agent or the securities intermediary to transfer or dispose of the security or the security entitlement in accordance with article 8 of the uniform commercial code.

(c) If the holder of property reported to the administrator is the issuer of a certificated security, the administrator has the right to obtain a replacement certificate pursuant to K.S.A. 84-8-405, and amendments thereto, but an indemnity bond is not required.

(d) An issuer, the holder and any transfer agent or other person acting pursuant to the instructions of and on behalf of the issuer or holder in accordance with this section is not liable to the apparent owner and must be indemnified against claims of any person in accordance with K.S.A. 58-3953 and amendments thereto for any loss or damage caused by the transfer, issuance and delivery of the certificate or security to the administrator.

(e) A holder is required to deliver property reported as aggregate under K.S.A. 58-3950, and amendments thereto, only if the total amount of the aggregate property reported exceeds \$250.

Sec. 6. K.S.A. 58-3955 is hereby amended to read as follows: 58-3955. (a) Except as provided in subsections (b) and (c), the administrator, within three years after the receipt of abandoned property, shall sell it to the highest bidder at public sale in whatever city in the state affords in the judgment of the administrator the most favorable market for the property involved. The administrator may decline the highest bid and reoffer the property for sale if in the judgment of the administrator the bid is insufficient. If in the judgment of the administrator the probable cost of sale exceeds the value of the property, the property need not be offered for sale. Any sale held under this section shall be preceded by a single publication of notice, at least three weeks in advance of sale, in a newspaper of general circulation in the county in which the property is to be sold.

(b) Securities listed on an established stock exchange shall be sold at prices prevailing at the time of sale on the exchange. Other securities may be sold over the counter at prices prevailing at the time of sale or by any other method the administrator considers advisable.

~~(c) Unless the administrator considers it to be in the best interest of the state to do otherwise, all securities, other than those presumed abandoned under K.S.A. 58-3943 and amendments thereto, delivered to the administrator shall be held for at least one year before they may be sold.~~

~~(d) Unless the administrator considers it to be in the best interest of the state to do otherwise, all~~

~~(c) All securities presumed abandoned under K.S.A. 58-3943 and amendments thereto and delivered to the administrator shall be held for at least three years six months before they may be sold. If the administrator sells any securities delivered pursuant to K.S.A. 58-3943 and amendments thereto before the expiration of the three-year period, any person making a claim pursuant to this act before the end of the three-year period is entitled to either the proceeds of the sale of the securities or the market value of the securities at the time the claim is made, whichever amount is greater, less any deduction for fees pursuant to subsection (b) of K.S.A. 58-3956 and amendments thereto. All securities must be sold within one year after they are delivered to the administrator. A person making a claim under this act after the expiration of this period is entitled to receive either the securities delivered to the administrator by the holder, if they still remain in the hands of the administrator, or the pro-~~

(continued)

ceeds received from the sale, less any amounts deducted pursuant to subsection (b) of K.S.A. 58-3956, and amendments thereto, but no person has any claim under this act against the state, the holder, any transfer agent, registrar or other person acting for or on behalf of a holder for any appreciation in the value of the property occurring after delivery by the holder to the administrator.

(e) (d) The purchaser of property at any sale conducted by the administrator pursuant to this act takes the property free of all claims of the owner or previous holder thereof and of all persons claiming through or under them. The administrator shall execute all documents necessary to complete the transfer of ownership.

Sec. 7. K.S.A. 58-3956 is hereby amended to read as follows: 58-3956. (a) Except as otherwise provided by this section, the administrator shall promptly deposit in the state general fund all funds received under this act, including the proceeds, from the sale of abandoned property under K.S.A. 58-3955 and amendments thereto, *and the proceeds from the redemption of United States savings bonds under section 1, and amendments thereto.* The unclaimed property claims fund is hereby created in the state treasury. The administrator shall credit moneys to the unclaimed property claims fund sufficient for the prompt payment of claims duly allowed by the administrator. The unclaimed property claims fund shall be in an amount of not less than \$100,000. Before making the deposit, the administrator shall record the name and last known address of each person appearing from the holders' reports to be entitled to the property and the name and last known address of each insured person or annuitant and beneficiary and with respect to each policy or contract listed in the report of an insurance company its number, the name of the company and the amount due. The record shall be available for public inspection at all reasonable business hours.

(b) Before making any deposit to the credit of the state general fund, the administrator may deduct and credit to the unclaimed property expense fund which is hereby created in the state treasury:

- (1) Any costs in connection with the sale of abandoned property;
- (2) costs of mailing and publication in connection with any abandoned property;
- (3) operating expenses; and
- (4) costs incurred in examining records of holders of property and in collecting the property from those holders.

Sec. 8. K.S.A. 58-3965 is hereby amended to read as follows: 58-3965. (a) The administrator, for and on behalf of this state, may commence an action in a district court of Kansas:

- (1) For an adjudication that certain property is unclaimed and payable or distributable to the administrator;
- (2) to compel presentation of a report or payment or distribution of property to the administrator;
- (3) to enforce the duty of a person to permit the examination or audit of the records of that person;
- (4) to enjoin any act that violates the public policy or provisions of this act; or
- (5) to enforce any aspect of this act in any manner.

(b) The administrator may commence such an action in the following situations:

- (1) The holder is a person domiciled in this state or is a governmental entity of this state;
 - (2) the holder is a person engaged in or transacting any business in this state, although not domiciled in this state; or
 - (3) the subject matter is tangible personal property held in this state.
- (c) *The administrator, for and on behalf of this state, may commence an action against the United States government or any agency or subdivision thereof for an adjudication that the proceeds of United States savings bonds subject to the provisions of K.S.A. 58-3934, et seq., and amendments thereto, are payable to the administrator.*

(e) (d) In a situation where no district court in this state can obtain jurisdiction over the person involved, the administrator may commence such an action in a federal court or state court of another state having jurisdiction over that person.

(e) (e) The administrator shall be deemed an indispensable party to any judicial or administrative proceedings concerning the disposition and handling of unclaimed property that is or may be payable or distributable into the protective custody of the administrator. The administrator shall have a right to intervene and participate in any judicial or administrative proceeding when to do so will be in the best interest of this state, the

apparent owner or the unclaimed property or to conserve and safeguard the unclaimed property against dissipation, undue diminishment or adverse discriminatory treatment.

Sec. 9. K.S.A. 58-3968 is hereby amended to read as follows: 58-3968. (a) All agreements to pay compensation to recover or assist in the recovery of property reported under K.S.A. 58-3950, and amendments thereto, made within 24 months after the date payment or delivery is made under K.S.A. 58-3952, and amendments thereto, are unenforceable.

(b) All agreements to pay compensation to recover or assist in the recovery of property reported under K.S.A. 58-3950, and amendments thereto, made more than 24 months after the date payment or delivery is made under K.S.A. 58-3952, and amendments thereto, are unenforceable if the fee or compensation agreed upon is in excess of 15% of the value of the recoverable property. *The administrator may require a third party seeking information concerning unclaimed property held for an apparent owner to provide a copy of an agreement signed by the claimant before releasing any information to the third party.*

(c) State warrants that may be issued in payment for and redemption of recoverable property may be issued, in the discretion of the administrator, directly to the rightful owners or, as fiduciary of the estate of a deceased owner, to an heir or legatee, and not to a named attorney in fact, agent, assignee or other person regardless of written instructions to the contrary.

Sec. 10. On and after July 1, 2000, K.S.A. 75-4203 is hereby amended to read as follows: 75-4203. The treasurer shall prepare daily deposits in accordance with K.S.A. 75-4206, *and amendments thereto.* The ~~director of accounts and reports~~ *treasurer* shall prepare and provide a form upon which all daily deposits shall be listed in sufficient detail to make effective the purposes of this act, and such form shall be called "daily deposit form," *the "daily cash sheet."* The *daily deposit form cash sheet* shall be completed in sufficient copies, and there shall be delivered daily one copy thereof to the director of accounts and reports and one copy shall be retained by the treasurer. Before any deposit of state moneys is made, each copy of the *daily deposit form cash sheet* shall be signed by the treasurer or a deputy duly authorized by the treasurer.

Sec. 11. On and after July 1, 2000, K.S.A. 75-4204 is hereby amended to read as follows: 75-4204. All orders of the treasurer transferring moneys from one state bank account to another shall be signed ~~both by the treasurer or the treasurer's duly authorized deputy and director of accounts and reports or the director's duly authorized assistant.~~

Sec. 12. On and after July 1, 2000, K.S.A. 10-506 is hereby amended to read as follows: 10-506. The state treasurer shall ~~open an account on his or her books, to be known as the "fiscal agency commission fund," to which shall be credited deposit all sums received under the provisions of K.S.A. 10-505. At the end of the fiscal year all sums credited to this fund shall be turned into the general revenue fund of the state, and amendments thereto, in the state treasury and credit it to the bond services fee fund established under K.S.A. 10-108, and amendments thereto.~~

Sec. 13. On and after July 1, 2000, K.S.A. 10-603 is hereby amended to read as follows: 10-603. On the maturity of any registered bond, it shall be forwarded by the holder to the state treasurer, who shall collect the same and pay the proceeds to the last registered holder thereof. All fees collected under the provisions of this act shall be *deposited in the state treasury and credited to the general fund of the state bond services fee fund established under K.S.A. 10-108, and amendments thereto.*

Sec. 14. On and after July 1, 2000, K.S.A. 10-627 is hereby amended to read as follows: 10-627. The transfer agent may charge to the presenter of a bond a transfer fee in an amount not to exceed the amount fixed by the state treasurer. The state treasurer shall fix the amount of the fee on July 1, 1993, and may adjust the amount annually thereafter. *All fees collected by the state treasurer under the provisions of the Kansas bond registration law shall be deposited in the state treasury and credited to the bond services fee fund established under K.S.A. 10-108, and amendments thereto.*

Sec. 15. K.S.A. 58-3955, 58-3956, 58-3965 and 58-3968 and K.S.A. 1999 Supp. 58-3934, 58-3935 and 58-3952 are hereby repealed.

Sec. 16. On and after July 1, 2000, K.S.A. 10-506, 10-603, 10-627, 75-4203 and 75-4204 are hereby repealed.

Sec. 17. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 3020

AN ACT establishing the sunflower army ammunition plant remediation trust fund; providing for administration and use of such fund.

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

Section 1. (a) As used in this section:

(1) "Consent decree agreement" means any consent decree agreement entered into pursuant to K.S.A. 1999 Supp. 74-8922, and amendments thereto, between the department and the oz entertainment company associated with the remediation of environmental contamination at the sunflower army ammunition plant located at Desoto, Kansas.

(2) "Department" means the department of health and environment.

(3) "Qualified expenses" means costs of remediation which are determined to be qualified expenses pursuant to a consent decree agreement.

(4) "Secretary" means the secretary of health and environment.

(b) There is hereby established in the state treasury the sunflower army ammunition plant remediation trust fund, to be administered by the secretary.

(c) The department shall remit to the state treasurer any proceeds received by the department from the payment obligation surety bond furnished by the oz entertainment company to the department pursuant to a consent decree agreement. Upon receipt of such proceeds, the state treasurer shall deposit the entire amount in the state treasury and credit it to the sunflower army ammunition plant remediation trust fund.

(d) Moneys in the sunflower army ammunition plant remediation trust fund shall be expended only for payment of qualified expenses of remediation of environmental contamination at the sunflower army ammunition plant for which the oz entertainment company has accepted responsibility for payment. Moneys in the fund shall be expended for no other governmental purpose.

(e) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the sunflower army ammunition plant remediation trust fund interest earnings based on:

(1) The average daily balance of moneys in the sunflower army ammunition plant remediation trust fund for the preceding month; and

(2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(f) All expenditures from the sunflower army ammunition plant remediation trust fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for the purposes set forth in this section.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE Substitute for SENATE BILL No. 568

AN ACT concerning big game; relating to deer permits; concerning reduction of certain deer and big game populations; relating to reduction of deer-related motor vehicle accidents; relating to penalties for certain crimes; amending K.S.A. 32-1032 and K.S.A. 1999 Supp. 32-937 and 32-965 and repealing the existing sections.

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

Section 1. K.S.A. 1999 Supp. 32-937 is hereby amended to read as follows: 32-937. (a) When used in this section:

(1) "Landowner" means a resident owner of farm or ranch land of 80 acres or more located in the state of Kansas.

(2) "Tenant" means an individual who is actively engaged in the agricultural operation of 80 acres or more of Kansas farm or ranch land for the purpose of producing agricultural commodities or livestock and who: (A) Has a substantial financial investment in the production of agricultural commodities or livestock on such farm or ranch land and the potential to realize substantial financial benefit from such production; or (B) is a bona fide manager having an overall responsibility to direct, supervise and conduct such agricultural operation and has the potential to realize substantial benefit from such production in the form of salary, shares of such production or some other economic incentive based upon such production.

(3) "Regular season" means a statewide big game hunting season au-

thorized annually which may include one or more seasons restricted to specific types of equipment.

(4) "Special season" means a big game hunting season in addition to a regular season authorized on an irregular basis or at different times of the year other than the regular season.

(5) "General permit" means a big game hunting permit available to Kansas residents not applying for big game permits as a landowner or tenant.

(6) "Nonresident landowner" means a nonresident of the state of Kansas who owns farm or ranch land of 80 acres or more which is located in the state of Kansas.

(7) "Nonresident permit" means a big game hunting permit available to individuals who are not Kansas residents.

(b) Except as otherwise provided by law or rules and regulations of the secretary and in addition to any other license, permit or stamp required by law or rules and regulations of the secretary, a valid big game permit and game tags are required to take any big game in this state.

(c) The fee for big game permits and game tags shall be the amount prescribed pursuant to K.S.A. 32-988, and amendments thereto.

(d) A big game permit and game tags are valid throughout the state or such portion thereof as provided by rules and regulations adopted by the secretary in accordance with K.S.A. 32-805 and amendments thereto.

(e) Unless otherwise provided by law or rules and regulations of the secretary, a big game permit and game tags are valid from the date of issuance and shall expire at the end of the season for which issued.

(f) The secretary may adopt, in accordance with K.S.A. 32-805, and amendments thereto, rules and regulations for each regular or special big game hunting season and for each management unit regarding big game permits and game tags. The secretary is hereby authorized to issue big game permits and game tags pertaining to the taking of big game. Separate big game permits and game tags may be issued for each species of big game. No big game permits or game tags shall be issued until the secretary has established, by rules and regulations adopted in accordance with K.S.A. 32-805, and amendments thereto, a regular or special big game hunting season.

(g) The secretary may authorize, by rule and regulation adopted in accordance with K.S.A. 32-805, and amendments thereto, landowner or tenant hunt-on-your-own-land big game permits. Such permits and applications may contain provisions and restrictions as prescribed by rule and regulation adopted by the secretary in accordance with K.S.A. 32-805, and amendments thereto.

(h) The secretary may authorize, by rule and regulation adopted in accordance with K.S.A. 32-805 and amendments thereto, special landowner or tenant hunt-on-your-own-land deer permits. Such special permits shall not be issued to landowners or tenants in possession of a hunt-on-your-own-land deer permit as authorized in subsection (g). The special permits shall be transferable to any immediate family member of the landowner or tenant, whether or not a Kansas resident, or the permit may be retained for use by the landowner or tenant. The special permits shall be transferable through the secretary at the request of the landowner or tenant and by paying the required fee for a general deer permit. The special permits and applications may contain provisions and restrictions as prescribed by rule and regulation adopted by the secretary in accordance with K.S.A. 32-805 and amendments thereto. For the purposes of this subsection, "member of the immediate family" means lineal or collateral ascendants or descendants, and their spouses.

(i) Fifty percent of the big game permits authorized for a regular season in any management unit shall be issued to landowners or tenants, provided that a limited number of big game permits have been authorized and landowner or tenant hunt-on-your-own-land big game permits for that unit have not been authorized. A landowner or tenant is not eligible to apply for a big game permit as a landowner or as a tenant in a management unit other than the unit or units which includes such landowner's or tenant's land. Any big game permits not issued to landowners or tenants within the time period prescribed by rule and regulation may be issued without regard to the 50% limitation.

(j) Members of the immediate family who are domiciled with a landowner or tenant may apply for a resident big game permit as a landowner or as a tenant, but the total number of landowner or tenant hunt-on-your-own-land or special hunt-on-your-own-land permits issued to a landowner or tenant and a landowner's or tenant's immediate family for each big game species shall not exceed one permit for each 80 acres owned by such landowner or operated by such tenant. The secretary may require

(continued)

proof of ownership or tenancy from individuals applying for a big game permit as a landowner or as a tenant.

(k) The secretary may issue permits for deer or turkey to nonresident landowners, but any such permit shall be restricted to hunting only on lands owned by the nonresident landowner.

(l) The secretary may issue turkey hunting permits to nonresidents in turkey management units with unlimited turkey hunting permits available.

(m) The secretary may issue deer hunting permits to nonresidents, subject to the following limitations:

(1) The total number of nonresident deer firearm permits of each type specified by rules and regulations that may be issued for a deer season in a management unit *and which may be used to take antlered deer* shall not exceed ~~5%~~ 10% of the total number of resident deer firearm permits of such type authorized for such season in such management unit; and

(2) the total number of nonresident deer archery permits of each type specified by rules and regulations that may be issued for a deer season in a management unit *and which may be used to take antlered deer* shall not exceed ~~5%~~ 15% of the total number of resident deer archery permits of such type authorized for such season in such management unit.

Nonresident deer archery permits may be restricted to a particular deer species without regard to resident deer archery permit species restrictions, or lack thereof.

If an unlimited number of resident deer permits *that may be used to take antlered deer* is authorized for a deer season or management unit, the percentage limitations of subsections (m)(1) and (m)(2) shall be based upon the total number of resident firearm permits *that may be used to take antlered deer* and the total number of archery permits *that may be used to take antlered deer*, respectively, issued in the management unit during the most recent preceding similar season. If in a management unit there are ~~an unlimited number of game tags available to residents an unlimited number of resident permits that may be used to take only antlerless deer~~, the secretary, in the secretary's discretion and in accordance with rules and regulations, may authorize the issuance of ~~an unlimited number of deer tags for such unit to nonresidents of an unlimited number of nonresident permits that may be used to take only antlerless deer~~.

(n) Any nonresident deer hunting permits authorized under subsection (m) that remain unissued due to an insufficient number of nonresident applications as of a deadline determined by the secretary, shall be made available to residents.

(o) *The secretary shall issue nonresident deer permits pursuant to subsection (m) to landowners and tenants applying for such permits, except that the total number of nonresident deer permits of each type specified by rules and regulations that may be issued to landowners and tenants for a deer season in a management unit shall not exceed 50% of the total number of nonresident deer permits of such a type authorized for such season in such management unit. A nonresident deer permit obtained by a landowner or tenant shall retain the permit's original designation, except that such permit shall be transferable, with or without consideration, to any resident or nonresident through the secretary at the request of the landowner or tenant. A landowner or tenant purchasing a nonresident deer permit pursuant to this subsection shall pay the established fee for a nonresident deer permit.*

The provisions of this subsection shall expire on June 30, 2004.

(p) No big game permit issued to a person under 14 years of age shall be valid until such person reaches 14 years of age, except that a person who is 12 years or 13 years of age and has been issued a certificate of completion of an approved hunter education course may be issued: (1) A deer archery permit if the person submits to the secretary evidence, satisfactory to the secretary, of completion of a bow hunting safety education course; or (2) a wild turkey firearm permit. Such deer archery permit or turkey firearm permit shall be valid only while the individual is hunting under the immediate supervision of an adult who is 21 years of age or older.

(q) A big game permit shall state the species, number and sex of the big game which may be killed by the permittee. The secretary may furnish an informational card with any big game permit and, at the conclusion of the open season, each permittee receiving such card shall return the card to the department, giving such information as is called for on the card.

(r) The permittee shall permanently affix the game tag to the carcass of any big game immediately after killing and thereafter, if re-

quired by rules and regulations, the permittee shall immediately take such killed game to a check station as required in the rules and regulations, where a check station tag shall be affixed to the game carcass if the kill is legal. The tags shall remain affixed until the carcass is consumed or processed for storage.

(s) The provisions of this section do not apply to big game animals sold in surplus property disposal sales of department exhibit herds or big game animals legally taken outside this state.

Sec. 2. K.S.A. 1999 Supp. 32-965 is hereby amended to read as follows: 32-965. (a) As used in this section, terms have the meanings provided by K.S.A. 32-701 and amendments thereto.

(b) It shall be a goal of the department to manage big game populations in the state at levels consistent with existing habitat and landowner and community tolerance. For this purpose, the secretary is authorized to issue big game control permits, in addition to big game permits and game tags issued during regularly designated hunting seasons.

(c) For each big game control permit issued, the secretary may designate the period of time, the location and the number and type of big game that may be harvested. Use of any big game control permit shall require the permission of the landowner or tenant of the property where it is to be used.

(d) The secretary shall consult with representatives of farming and ranching organizations, county and city government associations and hunting organizations in the development, modification and implementation of a big game control permit program.

(e) The secretary, in accordance with K.S.A. 32-805 and amendments thereto, may adopt such rules and regulations as necessary to implement to the provisions of this section. Such rules and regulations shall not require an applicant for a big game control permit to attempt to alleviate a problem with big game using any means other than hunting during the regular firearms season for the appropriate species of big game animal.

(f) *The secretary shall establish a toll-free telephone number for landowners and tenants to report property damage caused by big game, request information regarding big game control permits and obtain information regarding any other programs that assist in reduction of high local big game populations, including, but not limited to, programs that refer landowners and tenants to hunters willing to hunt on a landowner's or tenant's land and programs that provide for departmental lease of lands for public hunting.*

The provisions of this subsection shall expire on June 30, 2004.

(g) *The secretary shall cause to be published quarterly, in newspapers having general circulation in areas experiencing high deer populations, information regarding big game control permits and programs that assist in reduction of high local deer populations, including, but not limited to, programs that refer landowners and tenants to hunters willing to hunt on a landowner's or tenant's land and programs that provide for departmental lease of lands for public hunting. Such information shall be published in a manner calculated to give actual notice to the public and shall be placed in a section other than the classified advertising section of the newspaper.*

The provisions of this subsection shall expire on June 30, 2004.

New Sec. 3. The secretary of wildlife and parks and the secretary of transportation shall cooperate in developing a management plan to address reduction of motor vehicle accidents involving deer in those areas of the state experiencing high numbers of such accidents. The management plan shall include methods to identify those areas and methods to inform and communicate with landowners and tenants in those areas regarding measures to reduce local deer populations. The management plan shall be completed on or before January 1, 2001, and the joint report of the secretary of wildlife and parks and the secretary of transportation shall be submitted to the senate standing committee on energy and natural resources, the house standing committee on environment and the governor on or before February 1, 2001.

Sec. 4. K.S.A. 32-1032 is hereby amended to read as follows: 32-1032. (a) Violation of any provision of the wildlife and parks laws of this state or rules and regulations of the secretary relating to big game permits and game tags is a misdemeanor punishable by a fine of not less than \$250 nor more than \$1,000 or by imprisonment in the county jail for not more than six months, or by both.

(b) *In addition to any other penalty imposed by the convicting court, if a person is convicted of a violation of K.S.A. 32-1002, 32-1003 or 32-1013, and amendments thereto, that involves taking of a big game animal,*

or if a person is convicted of a violation of K.S.A. 32-1005, and amendments thereto, that involves commercialization of a big game animal, the court shall order:

(1) Upon the first such conviction, forfeiture of the person's hunting privileges for one year from the date of conviction and: (A) Revocation of the person's hunting license, unless such license is a lifetime hunting license; or (B) if the person possesses a lifetime hunting license, suspension of such license for one year from the date of conviction.

(2) Upon the second such conviction, forfeiture of the person's hunting privileges for three years from the date of conviction and: (A) Revocation of the person's hunting license, unless such license is a lifetime hunting license; or (B) if the person possesses a lifetime hunting license, suspension of such license for three years from the date of conviction.

(3) Upon the third or a subsequent such conviction, forfeiture of the person's hunting privileges for five years from the date of conviction and: (A) Revocation of the person's hunting license, unless such license is a lifetime hunting license; or (B) if the person possesses a lifetime hunting license, suspension of such license for five years from the date of conviction.

(c) If a person convicted of a violation described in subsection (b) has been issued a combination hunting and fishing license or a combination lifetime license, only the hunting portion of such license shall be revoked or suspended pursuant to subsection (b).

(d) Nothing in this section shall be construed to prevent a convicting court from suspending a person's hunting privileges or ordering the forfeiture or suspension of the person's license, permit, stamp or other issue of the department for a period longer than provided in this section, if such forfeiture or suspension is otherwise provided for by law.

Sec. 5. K.S.A. 32-1032 and K.S.A. 1999 Supp. 32-937 and 32-965 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 2034

AN ACT concerning public employment, public officers and employees; relating to compensation for overtime work; prescribing certain rates and procedures; cost-of-living adjustments and employer contribution rates under the Kansas public employees retirement system and systems thereunder; postretirement benefit increase; group insurance reserve fund; relating to reimbursement of moving expenses for certain state officers and employees; amending K.S.A. 20-2605, 75-5537 and 76-727 and K.S.A. 1999 Supp. 74-4920, 74-4927, 74-4927f and 74-4967 and repealing the existing sections; also repealing K.S.A. 1999 Supp. 75-6801.

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

New Section 1. Each fiscal year commencing after June 30, 2001, the secretary of administration shall prepare and distribute to each state officer or employee an annual one-page summary of such officer or employee's compensation package from the state, including salary, benefits under the state health care benefits program of the Kansas state employees health care commission, the cafeteria plan administered by the secretary of administration, retirement, insured and other benefits under the Kansas public employees retirement system, paid leave and other benefits provided for under the Kansas civil service act and any other benefits provided to such officer or employee.

Sec. 2. On July 11, 2000, K.S.A. 75-5537 is hereby amended to read as follows: 75-5537. (a) Except as otherwise required by federal law or by the provisions of this section, after ~~December 31, 1994~~ June 11, 2000, any rule and regulation relating to overtime compensation for state employees adopted by the secretary of administration shall provide that only hours actually worked may be considered in determining whether overtime compensation is due and the amount of overtime compensation due, whether in the form of overtime pay or compensatory time off in lieu of overtime pay. After ~~December 31, 1994~~ June 11, 2000, to the extent that any rule and regulation previously adopted by the secretary of administration prior to the effective date of this act contains a provision contrary to this section, that portion of the rule and regulation, and documents pertaining to such portion of the rule and regulation, shall have no effect and shall not be enforced.

(b) Each official state holiday which occurs within a regularly scheduled workweek may be counted as time worked in determining the amount of overtime work for state employees.

Sec. 3. K.S.A. 20-2605 is hereby amended to read as follows: 20-2605. (a) The board shall select and employ or retain a qualified actuary who shall serve at its pleasure as its technical advisor on matters regarding operation of the retirement system for judges. The actuary shall:

(1) As soon after the effective date as practicable and once every three years thereafter, make a general investigation of the actuarial experience under the retirement system for judges including mortality, retirement, employment turnover and interest, and recommend actuarial tables for use in valuations and in calculating actuarial equivalent values based on such investigation; make a valuation of the liabilities and reserves of the retirement system for judges, and a determination of the contributions required by the retirement system for judges to discharge its liabilities and recommend to the board rates of employer contributions required to establish and maintain the retirement system for judges on an actuarial reserve basis.

(2) Perform such other duties as may be assigned by the board.

(b) Upon the basis of the actuarial valuation and appraisal and upon the recommendation of the actuary, the board shall certify, on or before July 15 of each year, to the division of budget an actuarially determined estimate of the rate of contribution which will be required, together with all judges' contributions and other assets of the retirement system for judges to pay all liabilities which shall exist or accrue under the retirement system for judges, including amortization of the unfunded accrued liability over a period of 40 years commencing on July 1, 1993. The rate of contribution for the state determined under this section shall not include the costs of administration of the system.

(c) The division of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services the sum required to satisfy the state's obligation under the retirement system for judges as certified by the board and shall present the same to the legislature for allowance and appropriation.

(d) Except as otherwise provided by law, the actuarial cost of any legislation enacted by the Kansas legislature, except the actuarial cost of section 9, shall be reflected in the employer contribution rate in the fiscal year immediately following such enactment.

Sec. 4. K.S.A. 1998 Supp. 74-4920 is hereby amended to read as follows: 74-4920. (1) (a) Upon the basis of each annual actuarial valuation and appraisal as provided for in subsection (3)(a) of K.S.A. 74-4908 and amendments thereto, the board shall certify, on or before July 15 of each year, to the division of the budget in the case of the state and to the agent for each other participating employer an actuarially determined estimate of the rate of contribution which will be required, together with all accumulated contributions and other assets of the system, to be paid by each such participating employer to pay all liabilities which shall exist or accrue under the system, including amortization of the actuarial accrued liability over a period of 40 years commencing on July 1, 1993, and the actuarial accrued liability for members of the faculty and other persons who are employed by the state board of regents or by educational institutions under its management assisted by the state board of regents in the purchase of retirement annuities as provided in K.S.A. 74-4925 and amendments thereto, as provided in this section. The actuarial accrued liability for all participating employers other than the state board of regents relating to members of the faculty and other persons described in this section, shall be amortized by annual payments that increase 4% for each year remaining in the amortization period. For all participating employers other than the state board of regents relating to members of the faculty and other persons described in this section, the projected unit credit actuarial cost method shall be used in annual actuarial valuations, commencing with the 1993 valuation, to determine the employer contribution rates that shall be certified by the board. The actuarial accrued liability for members of the faculty and other persons described in this subsection assisted by the state board of regents in the purchase of retirement annuities as provided in K.S.A. 74-4925 and amendments thereto shall be amortized by annual level payments over a period of 11 years commencing July 1, 1993. Such certified rate of contribution shall be based on the standards set forth in subsection (3)(a) of K.S.A. 74-4908 and amendments thereto and shall not be based on any other purpose outside of the needs of the system.

(b) (i) For employers affiliating on and after January 1, 1999, upon the basis of an annual actuarial valuation and appraisal of the system conducted in the manner provided for in K.S.A. 74-4908 and amendments thereto, the board shall certify, on or before July 15 of each year

(continued)

to each such employer an actuarially determined estimate of the rate of contribution which shall be required to be paid by each such employer to pay all of the liabilities which shall accrue under the system from and after the entry date as determined by the board, upon recommendation of the actuary. Such rate shall be termed the employer's participating service contribution and shall be uniform for all participating employers. Such additional liability shall be amortized over a period of 34 years commencing on July 1, 1999, by annual payments that increase 4% for each year remaining in the amortization period. For all participating employers described in this section, the projected unit credit actuarial cost method shall be used in annual actuarial valuations to determine the employer contribution rates that shall be certified by the board.

(ii) The board shall determine for each such employer separately an amount sufficient to amortize over a period of not to exceed 34 years commencing July 1, 1999, all liabilities for prior service costs which shall have accrued at the time of entry into the system. On the basis of such determination the board shall annually certify to each such employer separately an actuarially determined estimate of the rate of contribution which shall be required to be paid by that employer to pay all of the liabilities for such prior service costs. Such rate shall be termed the employer's prior service contribution.

(2) The division of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services the sum required to satisfy the state's obligation under this act as certified by the board and shall present the same to the legislature for allowance and appropriation.

(3) Each other participating employer shall appropriate and pay to the system a sum sufficient to satisfy the obligation under this act as certified by the board.

(4) Each participating employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which such contribution is made is paid from or from any other funds available to it for such purpose. Each political subdivision, other than an instrumentality of the state, which is by law authorized to levy taxes for other purposes, may levy annually at the time of its levy of taxes, a tax which may be in addition to all other taxes authorized by law for the purpose of making its contributions under this act and, in the case of cities and counties, to pay a portion of the principal and interest on bonds issued under the authority of K.S.A. 12-1774 and amendments thereto by cities located in the county, which tax, together with any other fund available, shall be sufficient to enable it to make such contribution. In lieu of levying the tax authorized in this subsection, any taxing subdivision may pay such costs from any employee benefits contribution fund established pursuant to K.S.A. 12-16,102 and amendments thereto. Each participating employer which is not by law authorized to levy taxes as described above, but which prepares a budget for its expenses for the ensuing year and presents the same to a governing body which is authorized by law to levy taxes as described above, may include in its budget an amount sufficient to make its contributions under this act which may be in addition to all other taxes authorized by law. Such governing body to which the budget is submitted for approval, may levy a tax sufficient to allow the participating employer to make its contributions under this act, which tax, together with any other fund available, shall be sufficient to enable the participating employer to make the contributions required by this act.

(5) The rate of contribution certified to a participating employer as provided in this section shall apply during the fiscal year of the participating employer which begins in the second calendar year following the year of the actuarial valuation. For the fiscal year commencing in calendar year 1993, the employer rate of contribution for the state of Kansas and for participating employers under K.S.A. 74-4931 and amendments thereto shall be 3.1% of the amount of compensation upon which members contribute during the period. For the fiscal year commencing in calendar year 1994, the employer rate of contribution for the state of Kansas and for participating employers under K.S.A. 74-4931 and amendments thereto shall be 3.2% of the amount of compensation upon which members contribute during the period. For the fiscal year commencing in calendar year 1995, the employer rate of contribution for participating employers other than the state of Kansas shall be 2.2% of the amount of compensation upon which members contribute during the period. Except as specifically provided in this section, for the fiscal year commencing in calendar year 1996, the rate of contribution certified to a participating employer shall in no event exceed such participating employer's contribution rate for the immediately preceding fiscal year by more than 0.1%

of the amount of compensation upon which members contribute during the period. Except as specifically provided in this section, for fiscal years commencing in calendar year 1996 and in each subsequent calendar year, the rate of contribution certified to the state of Kansas shall in no event exceed the state's contribution rate for the immediately preceding fiscal year by more than 0.2% of the amount of compensation upon which members contribute during the period. Except as specifically provided in this section, for fiscal years commencing in calendar year 1997 and in each subsequent calendar year, the rate of contribution certified to participating employers other than the state of Kansas shall in no event exceed such participating employer's contribution rate for the immediately preceding fiscal year by more than 0.15% of the amount of compensation upon which members contribute during the period. There shall be an employer rate of contribution certified to the state of Kansas and participating employers under K.S.A. 74-4931 and amendments thereto. There shall be a separate employer rate of contribution certified to all other participating employers other than the state of Kansas.

(6) The actuarial cost of any legislation enacted in the 1994 session of the Kansas legislature will be included in the June 30, 1994, actuarial valuation in determining contribution rates for participating employers.

(7) The actuarial cost of the provisions of K.S.A. 1998 Supp. 74-4950i will be included in the June 30, 1998, actuarial valuation in determining contribution rates for participating employers. The actuarial accrued liability incurred for the provisions of K.S.A. 1998 Supp. 74-4950i shall be amortized over 15 years.

(8) *Except as otherwise provided by law, the actuarial cost of any legislation enacted by the Kansas legislature, except the actuarial cost of section 9, shall be in addition to the employer contribution rates certified for the employer contribution rate in the fiscal year immediately following such enactment.*

(9) The board with the advice of the actuary may fix the contribution rates for participating employers joining the system after one year from the first entry date or for employers who exercise the option contained in K.S.A. 74-4912 and amendments thereto at rates different from the rate fixed for employers joining within one year of the first entry date.

(10) For employers affiliating on and after January 1, 1999, the rates of contribution certified to the participating employer as provided in this section shall apply during the fiscal year immediately following such certification, but the rate of contribution during the first year following the employer's entry date shall be equal to 7% of the amount of compensation on which members contribute during the year. Any amount of such first year's contribution which may be in excess of the necessary current service contribution shall be credited by the board to the respective employer's prior service liability.

(11) Employer contributions shall in no way be limited by any other act which now or in the future establishes or limits the compensation of any member.

(12) Notwithstanding any provision of law to the contrary, each participating employer shall remit quarterly, or as the board may otherwise provide, all employee deductions and required employer contributions to the executive secretary for credit to the Kansas public employees retirement fund within three days after the end of the period covered by the remittance by electronic funds transfer. Remittances of such deductions and contributions received after such date are delinquent. Delinquent payments due under this subsection shall be subject to interest at the rate established for interest on judgments under subsection (a) of K.S.A. 16-204 and amendments thereto. At the request of the board, delinquent payments which are due or interest owed on such payments, or both, may be deducted from any other moneys payable to such employer by any department or agency of the state.

Sec. 5. K.S.A. 1999 Supp. 74-4927 is hereby amended to read as follows: 74-4927. (1) The board may establish a plan of death and long-term disability benefits to be paid to the members of the retirement system as provided by this section. The long-term disability benefit shall not be payable until the member has been prevented from carrying out each and every duty pertaining to the member's employment as a result of sickness or injury for a period of 180 days and the annual benefit shall not exceed an amount equal to 66 2/3% of the member's annual rate of compensation on the date such disability commenced and shall be payable in equal monthly installments. In the event that a member's compensation is not fixed at an annual rate but on an hourly, weekly, biweekly, monthly or any other basis than annual, the board shall prescribe by rule and regulation a formula for establishing a reasonable rate of annual compen-

sation to be used in determining the amount of the death or long-term disability benefit for such member. Such plan shall provide that:

(A) For deaths occurring prior to January 1, 1987, the right to receive such death benefit shall cease upon the member's attainment of age 70 or date of retirement whichever first occurs. The right to receive such long-term disability benefit shall cease (i) for a member who becomes eligible for such benefit before attaining age 60, upon the date that such member attains age 65 or the date of such member's retirement, whichever first occurs, (ii) for a member who becomes eligible for such benefit at or after attaining age 60, the date that such member has received such benefit for a period of five years, upon the date that such member attains age 70, or upon the date of such member's retirement, whichever first occurs, (iii) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 70, the date that such member has received such benefit for a period of 12 months or upon the date of such member's retirement, whichever first occurs, and (iv) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 75, the date that such member has received such benefit for a period of six months or upon the date of such member's retirement, whichever first occurs.

(B) Long-term disability benefit payments shall be in lieu of any accidental total disability benefit that a member may be eligible to receive under subsection (3) of K.S.A. 74-4916 and amendments thereto. The member must make an initial application for social security disability benefits and, if denied such benefits, the member must pursue and exhaust all administrative remedies of the social security administration which include, but are not limited to, reconsideration and hearings. Such plan may provide that any amount which a member receives as a social security benefit or a disability benefit or compensation from any source by reason of any employment including, but not limited to, workers compensation benefits may be deducted from the amount of long-term disability benefit payments under such plan. During the period in which such member is pursuing such administrative remedies prior to a final decision of the social security administration, social security disability benefits may be estimated and may be deducted from the amount of long-term disability benefit payments under such plan. Such long-term disability payments shall accrue from the later of the 181st day of total disability or the first day upon which the member ceases to draw compensation from the employer. If the social security benefit, workers compensation benefit, other income or wages or other disability benefit by reason of employment, or any part thereof, is paid in a lump-sum, the amount of the reduction shall be calculated on a monthly basis over the period of time for which the lump-sum is given. In no case shall a member who is entitled to receive long-term disability benefits receive less than \$50 per month. As used in this section, "workers compensation benefits" means the total award of disability benefit payments under the workers compensation act notwithstanding any payment of attorney fees from such benefits as provided in the workers compensation act.

(C) The plan may include other provisions relating to qualifications for benefits; schedules and graduation of benefits; limitations of eligibility for benefits by reason of termination of employment or membership; conversion privileges; limitations of eligibility for benefits by reason of leaves of absence, military service or other interruptions in service; limitations on the condition of long-term disability benefit payment by reason of improved health; requirements for medical examinations or reports; or any other reasonable provisions as established by rule and regulation of uniform application adopted by the board.

(D) On and after April 30, 1981, the board may provide under the plan for the continuation of long-term disability benefit payments to any former member who forfeits the entitlement to continued service credit under the retirement system or continued assistance in the purchase of retirement annuities under K.S.A. 74-4925 and amendments thereto and to continued long-term disability benefit payments and continued death benefit coverage, by reason of the member's withdrawal of contributions from the retirement system or the repurchase of retirement annuities which were purchased with assistance received under K.S.A. 74-4925 and amendments thereto. Such long-term disability benefit payments may be continued until such individual dies, attains age 65 or is no longer disabled, whichever occurs first.

(E) Any visually impaired person who is in training at and employed by a sheltered workshop for the blind operated by the secretary of social and rehabilitation services and who would otherwise be eligible for the

long-term disability benefit as described in this section shall not be eligible to receive such benefit due to visual impairment as such impairment shall be determined to be a preexisting condition.

(2) (A) In the event that a member becomes eligible for a long-term disability benefit under the plan authorized by this section such member shall be given participating service credit for the entire period of such disability. Such member's final average salary shall be computed in accordance with subsection (17) of K.S.A. 74-4902 and amendments thereto except that the years of participating service used in such computation shall be the years of salaried participating service.

(B) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding retirement, such member's final average salary shall be adjusted upon retirement by the actuarial salary assumption rates in existence during such period of disability. Effective July 1, 1993, such member's final average salary shall be adjusted upon retirement by 5% for each year of disability after July 1, 1993, but before July 1, 1998. Effective July 1, 1998, such member's final average salary shall be adjusted upon retirement by an amount equal to the lesser of: (i) The percentage increase in the consumer price index for all urban consumers as published by the bureau of labor statistics of the United States department of labor minus 1%; or (ii) four percent per annum, measured from the month the disability occurs to the month that is two months prior to the month of retirement, for each year of disability after July 1, 1998.

(C) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding death, such member's current annual rate shall be adjusted by the actuarial salary assumption rates in existence during such period of disability. Effective July 1, 1993, such member's current annual rate shall be adjusted upon death by 5% for each year of disability after July 1, 1993, but before July 1, 1998. Effective July 1, 1998, such member's current annual rate shall be adjusted upon death by an amount equal to the lesser of: (i) The percentage increase in the consumer price index for all urban consumers published by the bureau of labor statistics of the United States department of labor minus 1%; or (ii) four percent per annum, measured from the month the disability occurs to the month that is two months prior to the month of death, for each year of disability after July 1, 1998.

(3) (A) To carry out the legislative intent to provide, within the funds made available therefor, the broadest possible coverage for members who are in active employment or involuntarily absent from such active employment, the plan of death and long-term disability benefits shall be subject to adjustment from time to time by the board within the limitations of this section. The plan may include terms and provisions which are consistent with the terms and provisions of group life and long-term disability policies usually issued to those employers who employ a large number of employees. The board shall have the authority to establish and adjust from time to time the procedures for financing and administering the plan of death and long-term disability benefits authorized by this section. Either the insured death benefit or the insured disability benefit or both such benefits may be financed directly by the system or by one or more insurance companies authorized and licensed to transact group life and group accident and health insurance in this state.

(B) The board may contract with one or more insurance companies, which are authorized and licensed to transact group life and group accident and health insurance in Kansas, to underwrite or to administer or to both underwrite and administer either the insured death benefit or the long-term disability benefit or both such benefits. Each such contract with an insurance company under this subsection shall be entered into on the basis of competitive bids solicited and administered by the board. Such competitive bids shall be based on specifications prepared by the board.

(i) In the event the board purchases one or more policies of group insurance from such company or companies to provide either the insured death benefit or the long-term disability benefit or both such benefits, the board shall have the authority to subsequently cancel one or more of such policies and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund.

(ii) In addition, the board shall have the authority to cancel any policy or policies of group life and long-term disability insurance in existence

(continued)

on the effective date of this act and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund. Notwithstanding any other provision of law, no premium tax shall be due or payable by any such company or companies on any such policy or policies purchased by the board nor shall any brokerage fees or commissions be paid thereon.

(4)(A) There is hereby created in the state treasury the group insurance reserve fund. Investment income of the fund shall be added or credited to the fund as provided by law. The cost of the plan of death and long-term disability benefits shall be paid from the group insurance reserve fund, which shall be administered by the board. *Except as otherwise provided by this subsection*, each participating employer shall appropriate and pay to the system in such manner as the board shall prescribe in addition to the employee and employer retirement contributions an amount equal to .6% of the amount of compensation on which the members' contributions to the Kansas public employees retirement system are based for deposit in the group insurance reserve fund. *Notwithstanding the provisions of this subsection, no participating employer shall appropriate and pay to the system any amount provided for by this subsection for deposit in the group insurance reserve fund for the period commencing on April 1, 2000, and ending on June 30, 2001.*

(B) The director of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services a sum to pay the state's contribution to the group insurance reserve fund as provided by this section and shall present the same to the legislature for allowances and appropriation.

(C) The provisions of subsection (4) of K.S.A. 74-4920 and amendments thereto shall apply for the purpose of providing the funds to make the contributions to be deposited to the group insurance reserve fund.

(D) Any dividend or retrospective rate credit allowed by an insurance company or companies shall be credited to the group insurance reserve fund and the board may take such amounts into consideration in determining the amounts of the benefits under the plan authorized by this section.

(5) The death benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as insured death benefit. The long-term disability benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as long-term disability benefit.

(6) The board is hereby authorized to establish an optional death benefit plan. Except as provided in subsection (7), such optional death benefit plan shall be made available to all employees who are covered or may hereafter become covered by the plan of death and long-term disability benefits authorized by this section. The cost of the optional death benefit plan shall be paid by the applicant either by means of a system of payroll deductions or direct payment to the board. The board shall have the authority and discretion to establish such terms, conditions, specifications and coverages as it may deem to be in the best interest of the state of Kansas and its employees which should include term death benefits for the person's period of active state employment regardless of age, but in no case, on and after January 1, 1989, shall the maximum allowable coverage be less than \$200,000. The cost of the optional death benefit plan shall not be established on such a basis as to unreasonably discriminate against any particular age group. The board shall have full administrative responsibility, discretion and authority to establish and continue such optional death benefit plan and the director of accounts and reports of the department of administration shall when requested by the board and from funds appropriated or available for such purpose establish a system to make periodic deductions from state payrolls to cover the cost of the optional death benefit plan coverage under the provisions of this subsection (6) and shall remit all deductions together with appropriate accounting reports to the system. There is hereby created in the state treasury the optional death benefit plan reserve fund. Investment income of the fund shall be added or credited to the fund as provided by law. All funds received by the board, whether in the form of direct payments, payroll deductions or otherwise, shall be accounted for separately from all other funds of the retirement system and shall be paid into the optional death benefit plan reserve fund, from which the board is authorized to make the appropriate payments and to pay the ongoing costs of admin-

istration of such optional death benefit plan as may be incurred in carrying out the provisions of this subsection (6).

(7) Any employer other than the state of Kansas which is currently a participating employer of the Kansas public employees retirement system or is in the process of affiliating with the Kansas public employees retirement system may also elect to affiliate for the purposes of subsection (6). All such employers shall make application for affiliation with such system, to be effective on January 1 next following application. Such optional death benefit plan shall not be available for employees of employers specified under this subsection until after July 1, 1988.

Sec. 6. K.S.A. 1999 Supp. 74-4927f is hereby amended to read as follows: 74-4927f. (a) For the purposes of providing the "insured death benefit" as prescribed in K.S.A. 74-4927 and amendments thereto, to all persons who are members of the retirement system for judges, on and after the first day of the first payroll period of the fiscal year ending June 30, 1984, the term "member" as used in K.S.A. 74-4927 and amendments thereto, and as used in this section shall include members of the retirement system for judges.

(b) *Except as otherwise provided by this subsection*, the employer of any member who is a member of the retirement system for judges shall pay to the Kansas public employees retirement system in such manner as the board of trustees shall prescribe, an amount equal to .4% of the amount of compensation on which the member's contributions to the retirement system for judges are based for deposit in the group insurance reserve of the Kansas public employees retirement fund, ~~beginning with the first day of the first payroll period of the fiscal year ending June 30, 1984, and each payroll period thereafter~~, in lieu of the amount required to be paid under subsection (4) of K.S.A. 74-4927 and amendments thereto. *Notwithstanding the provisions of this subsection, no employer shall pay to the system any amount provided for by this subsection for deposit in the group insurance reserve fund for the fiscal year ending June 30, 2001.*

~~(c) Coverage under the plan of death benefits shall begin with the first day of the first payroll period of the fiscal year ending June 30, 1984, for such members and other persons as defined in this section.~~

Sec. 7. K.S.A. 1998 Supp. 74-4967 is hereby amended to read as follows: 74-4967. (1) Upon the basis of an annual actuarial valuation and appraisal of the system conducted in the manner provided for in K.S.A. 74-4908 and amendments thereto, the board shall certify, on or before July 15 of each year to each participating employer an actuarially determined estimate of the rate of contribution which shall be required to be paid by each such participating employer to pay all of the liabilities which shall accrue under the system from and after the entry date as determined by the board, upon recommendation of the actuary. Such rate shall be uniform for all participating employers, and shall be comprised of a rate for benefits accruing after June 30, 1993, and a rate for amortization of the additional liability for benefits provided by this act which is attributable to service rendered before July 1, 1993. Such additional liability shall be amortized over a period of 40 years commencing on July 1, 1993, by annual payments that increase 4% for each year remaining in the amortization period. The employer's rate of contribution determined under this section shall not include the costs of administration of the system.

(2) The board shall determine for each employer separately an amount sufficient to amortize over a period of not to exceed 40 years all liabilities for past service costs which shall have accrued at the time of entry into the system. On the basis of such determination the board shall annually certify to each participating employer separately an actuarially determined estimate of the rate of contribution which shall be required to be paid by that participating employer to pay all of the liabilities for such past service costs. Such rate shall be termed the employer's prior service contribution. The board may enter into agreements with any participating employer which has employees or retirees under the special pension systems established under K.S.A. 13-14a01 to 13-14a14, inclusive, and amendments thereto or K.S.A. 14-10a01 to 14-10a15, inclusive, and amendments thereto, for the purpose of scheduling the payment of such past service costs in an orderly manner which will tend to stabilize the annual total financial burden on such employers in meeting their present and future obligations under this system and such special systems, but in no event shall the annual prior service contribution be less than the interest cost on the total of such past service liability.

(3) Each participating employer shall appropriate and pay to the system a sum sufficient to satisfy the obligations under this act as certified by the board.

(4) Each participating employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which such contribution is made is paid from or from any other funds available to it for such purpose. Each employer may levy annually at the time of its levy of taxes, a tax which may be in addition to all other taxes authorized by law for the purpose of making its contributions under this act, and, in the case of cities and counties, to pay a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located in such county which tax, together with any other fund available, shall be sufficient to enable it to make such contribution. In lieu of levying the tax authorized in this subsection, any taxing subdivision may pay such costs from any employee benefits contribution fund established pursuant to K.S.A. 12-16,102 and amendments thereto.

(5) Employer contributions shall in no way be limited by any other act which now or in the future establishes or limits the compensation of any member.

(6) The rate of contribution certified to each participating employer as provided in this section shall apply during the fiscal year of such participating employer which begins in the second calendar year following the year of the actuarial valuation, but the rate of contribution during the first year following the employer's entry date shall be equal to 16% of the amount of compensation on which members contribute during the year.

(7) Each participating employer shall remit quarterly, or as the board may otherwise provide, all employee deductions and required employer contributions to the executive secretary for credit to the Kansas public employees retirement fund within 20 days after the end of the period covered by the remittance or within 25 days after forms or written instructions from the system were mailed by the system to such employer, whichever is later. Remittances of such deductions and contributions received after such date are delinquent. Delinquent payments due under this subsection (7) shall be subject to interest at the rate established for interest on judgments under subsection (a) of K.S.A. 16-204 and amendments thereto. At the request of the board, delinquent payments which are due or interest owed on such payments, or both, may be deducted from any other moneys payable to such employer by any department or agency of the state.

(8) *Except as otherwise provided by law, the actuarial cost of any legislation enacted by the Kansas legislature, except the actuarial cost of section 9, shall be reflected in the employer contribution rate in the fiscal year immediately following such enactment.*

Sec. 8. K.S.A. 76-727 is hereby amended to read as follows: 76-727.

(a) The chief executive officer of any state educational institution, when approved by the state board of regents, may extend an invitation to any person to meet with representatives of such state educational institution for the purpose of consultation preliminary to such person's possible selection as a member of the unclassified staff at such state educational institution, and in such case, such state educational institution may pay the actual and necessary travel and subsistence expenses of such invitee in meeting with such representatives. The state board of regents may extend an invitation to any person to meet with the state board of regents or with representatives of such board for the purpose of consultation preliminary to such person's possible selection as chief executive officer of a state educational institution under the control and supervision of the state board of regents or as executive officer of the state board of regents, and in such case, the state board of regents may pay the actual and necessary travel and subsistence expenses of such invitee and such invitee's spouse in meeting with the board or with such representatives. The travel and subsistence expenses shall be paid from funds available or appropriated for travel and subsistence.

(b) (1) Subject to the limitations of rules and regulations adopted by the secretary of administration, the state board of regents may agree to reimburse an applicant for the position of chief executive officer of a state educational institution or an applicant for any position in the office of the state board of regents for all or part of the applicant's moving expenses from the applicant's usual place of residence to the applicant's new place of residence as an inducement to the applicant to accept such position of employment.

(2) The amount to be paid for moving expenses shall not exceed the amount of the actual moving expenses verified by receipts or the amount of moving expenses for moving 12,000 pounds of household goods, whichever is the lesser amount. The applicant shall be required to sign an agreement that if the applicant leaves the position of employment within

one year from the beginning date of employment, the applicant will reimburse the state board of regents the full amount so paid for moving expenses, and the obligation to repay shall constitute a lien and setoff by the state against the applicant employee's unpaid wages or salary. The moving expenses shall be paid from funds available or appropriated for moving expenses.

(3) *Reimbursement for moving expenses may be made to applicants for positions in the unclassified service under the Kansas civil service act at state educational institutions other than chief executive officers in accordance with this section if such reimbursement is from private funds provided to the state educational institutions by the endowment associations or other affiliated corporations of such state educational institutions.*

(c) The provisions of K.S.A. 75-3218, and amendments thereto, and subsection (a) of K.S.A. 75-3225, shall not apply to state educational institutions.

(d) The chief executive officer of any state educational institution, or any person or persons designated by such officer for the purpose, with the approval of the state board of regents, may travel to any place or places in the United States for the purpose of interviewing persons as prospective members of the faculty of such state educational institution, and in such case, such state educational institution shall pay the transportation and subsistence expenses of persons making such trips. The travel and subsistence shall be paid at the same rates and subject to the same limitations as now provided for state employees for out-of-state travel. The travel and subsistence shall be paid from funds available or appropriated for travel and subsistence.

New Sec. 9. (a) Each retiree who is entitled to receive a retirement benefit, pension or annuity payment from a retirement system or who is a local school annuitant shall be entitled to receive a retiree dividend payment as specified in this section. Such retiree dividend payment shall be paid in addition to the amount of the annual retirement benefit, pension or annuity payment to which the retiree is otherwise entitled and shall be paid in the form of an additional payment which shall be made on October 1, 2000.

(b) Each such retirement dividend payment as provided in this section shall be payable to the retiree in an amount equal to 50% of the retirement benefit payment such retiree is entitled to receive on July 1, 2000.

(c) Each such retiree dividend payment shall be paid by the retirement system to the retiree and the local school annuitant and shall be payable from the Kansas public employees retirement fund.

(d) As used in this section:

(1) "Retiree" means (A) any person who is a member of a retirement system and who retired prior to July 1, 1999, (B) any person who is a special member of a retirement system and who retired prior to July 1, 1999, (C) any person who is a joint annuitant or beneficiary of any member described in clause (A) or any special member described in clause (B), and (D) any insured disability benefit recipient.

(2) "Retirement system" means the Kansas public employees retirement system, the Kansas police and firemen's retirement system, the state school retirement system and the retirement system for judges.

(3) "Local school annuitant" means (A) any person who is an annuitant with 10 or more years of service, who is receiving an annuity, whose annuity is not included, in whole or in part, in payments made to such school district under K.S.A. 72-5512b and amendments thereto, and who is not a member of a group I or of group II as defined in K.S.A. 72-5518 and amendments thereto, and (B) any person who is receiving an annuity and who retired prior to September 1, 1981.

(4) "Insured disability benefit recipient" means any person receiving an insured disability benefit under K.S.A. 74-4927, and amendments thereto, prior to July 1, 1999.

Sec. 10. On July 11, 2000, K.S.A. 75-5537 is hereby repealed.

Sec. 11. K.S.A. 20-2605 and 76-727 and K.S.A. 1999 Supp. 74-4920, 74-4927, 74-4927f, 74-4967 and 75-6801 are hereby repealed.

Sec. 12. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 27, 2000.)

HOUSE BILL No. 2810

AN ACT concerning school districts; affecting the count of preschool-aged at-risk pupils; revising the definition of juvenile detention facility for the provision of educational services and grants of state moneys; amending K.S.A. 1999 Supp. 72-6407, 72-6430 and 72-8187 and repealing the existing sections.

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

Section 1. K.S.A. 1999 Supp. 72-6407 is hereby amended to read as follows: 72-6407. (a) "Pupil" means any person who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 maintained by the district or who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 in another district in accordance with an agreement entered into under authority of K.S.A. 72-8233, and amendments thereto, or who is regularly enrolled in a district and attending special education services provided for preschool-aged exceptional children by the district. Except as otherwise provided in this subsection, a pupil in attendance full time shall be counted as one pupil. A pupil in attendance part time shall be counted as that proportion of one pupil (to the nearest $\frac{1}{10}$) that the pupil's attendance bears to full-time attendance. A pupil attending kindergarten shall be counted as $\frac{1}{2}$ pupil. A pupil enrolled in and attending an institution of postsecondary education which is authorized under the laws of this state to award academic degrees shall be counted as one pupil if the pupil's postsecondary education enrollment and attendance together with the pupil's attendance in either of the grades 11 or 12 is at least $\frac{5}{8}$ time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the pupil's postsecondary education attendance and attendance in grade 11 or 12, as applicable, bears to full-time attendance. A pupil enrolled in and attending an area vocational school, area vocational-technical school or approved vocational education program shall be counted as one pupil if the pupil's vocational education enrollment and attendance together with the pupil's attendance in any of grades nine through 12 is at least $\frac{5}{8}$ time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the pupil's vocational education attendance and attendance in any of grades nine through 12 bears to full-time attendance. A pupil enrolled in a district and attending special education services, except special education services for preschool-aged exceptional children, provided for by the district shall be counted as one pupil. A pupil enrolled in a district and attending special education services for preschool-aged exceptional children provided for by the district shall be counted as $\frac{1}{2}$ pupil. A preschool-aged at-risk pupil enrolled in a district and receiving services under an approved at-risk pupil assistance plan maintained by the district shall be counted as $\frac{1}{2}$ pupil. A pupil in the custody of the secretary of social and rehabilitation services and enrolled in unified school district No. 259, Sedgwick county, Kansas, but housed, maintained, and receiving educational services at the Judge James V. Riddel Boys Ranch, shall be counted as two pupils. A pupil residing at the Flint Hills job corps center shall not be counted. A pupil confined in and receiving educational services provided for by a district at a juvenile detention facility shall not be counted. A pupil enrolled in a district but housed, maintained, and receiving educational services at a state institution shall not be counted.

(b) "Preschool-aged exceptional children" means exceptional children, except gifted children, who have attained the age of three years but are under the age of eligibility for attendance at kindergarten.

(c) "At-risk pupils" means pupils who are eligible for free meals under the national school lunch act and who are enrolled in a district which maintains an approved at-risk pupil assistance plan.

(d) "Preschool-aged at-risk pupil" means an at-risk pupil who has attained the age of four years, is under the age of eligibility for attendance at kindergarten, and has been selected by the state board in accordance with guidelines consonant with guidelines governing the selection of pupils for participation in head start programs. The state board shall select not more than 1,794 preschool-aged at-risk pupils to be counted in the 1999-2000 school year and not more than 1,794 2,230 preschool-aged at-risk pupils to be counted in any school year thereafter.

(e) "Enrollment" means, for districts scheduling the school days or school hours of the school term on a trimestral or quarterly basis, the number of pupils regularly enrolled in the district on September 20 plus the number of pupils regularly enrolled in the district on February 20 less the number of pupils regularly enrolled on February 20 who were counted in the enrollment of the district on September 20; and for dis-

tricts not hereinbefore specified, the number of pupils regularly enrolled in the district on September 20. Notwithstanding the foregoing, if enrollment in a district in any school year has decreased from enrollment in the preceding school year, enrollment of the district in the current school year means whichever is the greater of (1) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled, plus enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled, or (2) the sum of enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled and the average (mean) of the sum of (A) enrollment of the district in the current school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils are enrolled and (B) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled and (C) enrollment in the school year next preceding the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled.

(f) "Adjusted enrollment" means enrollment adjusted by adding at-risk pupil weighting, program weighting, low enrollment weighting, if any, correlation weighting, if any, school facilities weighting, if any, ancillary school facilities weighting, if any, and transportation weighting to enrollment.

(g) "At-risk pupil weighting" means an addend component assigned to enrollment of districts on the basis of enrollment of at-risk pupils.

(h) "Program weighting" means an addend component assigned to enrollment of districts on the basis of pupil attendance in educational programs which differ in cost from regular educational programs.

(i) "Low enrollment weighting" means an addend component assigned to enrollment of districts having under 1,725 enrollment on the basis of costs attributable to maintenance of educational programs by such districts in comparison with costs attributable to maintenance of educational programs by districts having 1,725 or over enrollment.

(j) "School facilities weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to commencing operation of new school facilities. School facilities weighting may be assigned to enrollment of a district only if the district has adopted a local option budget and budgeted therein the total amount authorized for the school year. School facilities weighting may be assigned to enrollment of the district only in the school year in which operation of a new school facility is commenced and in the next succeeding school year.

(k) "Transportation weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to the provision or furnishing of transportation.

(l) "Correlation weighting" means an addend component assigned to enrollment of districts having 1,725 or over enrollment on the basis of costs attributable to maintenance of educational programs by such districts as a correlate to low enrollment weighting assigned to enrollment of districts having under 1,725 enrollment.

(m) "Ancillary school facilities weighting" means an addend component assigned to enrollment of districts to which the provisions of K.S.A. 1999 Supp. 72-6441, and amendments thereto, apply on the basis of costs attributable to commencing operation of new school facilities. Ancillary school facilities weighting may be assigned to enrollment of a district only if the district has levied a tax under authority of K.S.A. 1999 Supp. 72-6441, and amendments thereto, and remitted the proceeds from such tax to the state treasurer. Ancillary school facilities weighting is in addition to assignment of school facilities weighting to enrollment of any district eligible for such weighting.

(n) "Juvenile detention facility" means any community juvenile corrections center or facility, the Forbes Juvenile Attention Facility, the Sappa Valley Youth Ranch of Oberlin, the Parkview Passages Residential Treatment Center of Topeka, Charter Wichita Behavior Health System, L.L.G. and Salvation Army/Koch Center Youth Services, the Clarence M. Kelley Youth Center, Trego County Secure Care Center, St. Francis Academy at Atchison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina, and St. Francis Center at Salina.

Sec. 2. K.S.A. 1999 Supp. 72-6430 is hereby amended to read as follows: 72-6430. Expenditures of a district for the following purposes are not operating expenses:

(a) Payments to another district in an adjustment of rights as provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of territory

as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and amendments to such sections, if paid from any fund other than the general fund.

(b) Payments to another district under K.S.A. 72-7105a, and amendments thereto.

(c) The maintenance of student activities which are reimbursed.

(d) Expenditures from any lawfully authorized fund of a district other than its general fund.

(e) The provision of educational services for pupils residing at the Flint Hills job corps center or for pupils confined in a juvenile detention facility for which the district is reimbursed by a grant of state moneys as provided in K.S.A. 1999 Supp. 72-8187, and amendments thereto. As used in this subsection, the term juvenile detention facility means any community juvenile corrections center or facility, the Forbes Juvenile Attention Facility, the Sappa Valley Youth Ranch of Oberlin, the Parkview Passages Residential Treatment Center of Topeka, Charter Wichita Behavior Health System, L.L.C. and Salvation Army/Koch Center Youth Services, the Clarence M. Kelley Youth Center, Trego County Secure Care Center, St. Francis Academy at Atchison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina, and St. Francis Center at Salina.

(f) Programs financed in part or in whole by federal funds which may be expended although not included in the budget of the district, excepting funds received under the provisions of title I of public law 874 (but not including in such exception amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program), to the extent of the federal funds to be provided.

Sec. 3. K.S.A. 1999 Supp. 72-8187 is hereby amended to read as follows: 72-8187. (a) In each school year, to the extent that appropriations are available, each school district which has provided educational services for pupils residing at the Flint Hills job corps center or for pupils confined in a juvenile detention facility is eligible to receive a grant of state moneys in an amount to be determined by the state board of education.

(b) In order to be eligible for a grant of state moneys provided for by this section, each school district which has provided educational services for pupils residing at the Flint Hills job corps center or for pupils confined in a juvenile detention facility shall submit to the state board of education an application for a grant and shall certify the amount expended, and not reimbursed or otherwise financed, in the school year for the services provided. The application and certification shall be prepared in such form and manner as the state board shall require and shall be submitted at a time to be determined and specified by the state board. Approval by the state board of applications for grants of state moneys is prerequisite to the award of grants.

(c) Each school district which is awarded a grant under this section shall make such periodic and special reports of statistical and financial information to the state board as it may request.

(d) All moneys received by a school district under authority of this section shall be deposited in the general fund of the school district and shall be considered reimbursement of the district for the purpose of the school district finance and quality performance act.

(e) The state board of education shall approve applications of school districts for grants, determine the amount of grants and be responsible for payment of grants to school districts. In determining the amount of a grant which a school district is eligible to receive, the state board shall compute the amount of state financial aid the district would have received on the basis of enrollment of pupils residing at the Flint Hills job corps center or confined in a juvenile detention facility if such pupils had been counted as two pupils under the school district finance and quality performance act and compare such computed amount to the amount certified by the district under subsection (b). The amount of the grant the district is eligible to receive shall be an amount equal to the lesser of the amount computed under this subsection or the amount certified under subsection (b). If the amount of appropriations for the payment of grants under this section is insufficient to pay in full the amount each school district is determined to be eligible to receive for the school year, the state board shall prorate the amount appropriated among all school districts which are eligible to receive grants of state moneys in proportion to the amount each school district is determined to be eligible to receive.

(f) As used in this section:

(1) "Enrollment" means the number of pupils who are residing at the Flint Hills job corps center or who are confined in a juvenile detention facility and for whom a school district is providing educational services on September 20, on November 20, or on April 20 of a school year, whichever is the greatest number of pupils; and

(2) "juvenile detention facility" means any community juvenile corrections center or facility, the Forbes Juvenile Attention Facility, the Sappa Valley Youth Ranch of Oberlin, the Parkview Passages Residential Treatment Center of Topeka, Charter Wichita Behavior Health System, L.L.C. and Salvation Army/Koch Center Youth Services, the Clarence M. Kelley Youth Center, Trego County Secure Care Center, St. Francis Academy at Atchison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina, and St. Francis Center at Salina.

Sec. 4. K.S.A. 1999 Supp. 72-6407, 72-6430 and 72-8187 are hereby repealed.

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

(Published in the Kansas Register April 27, 2000.)

SENATE BILL No. 541

AN ACT concerning the pharmacy act of the state of Kansas; veterinary medical teaching hospital pharmacy; institutional drug rooms; amending K.S.A. 1999 Supp. 65-1626, 65-1643 and 65-1645 and repealing the existing sections.

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

Section 1. K.S.A. 1999 Supp. 65-1626 is hereby amended to read as follows: 65-1626. For the purposes of this act:

(a) "Administer" means the direct application of a drug, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by:

(1) A practitioner or pursuant to the lawful direction of a practitioner, or

(2) the patient or research subject at the direction and in the presence of the practitioner.

(b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor or dispenser but shall not include a common or contract carrier, public warehouseman or employee of the carrier or warehouseman when acting in the usual and lawful course of the carrier's or warehouseman's business.

(c) "Board" means the state board of pharmacy created by K.S.A. 74-1603 and amendments thereto.

(d) "Brand exchange" means the dispensing of a different drug product of the same dosage form and strength and of the same generic name than the brand name drug product prescribed.

(e) "Brand name" means the registered trademark name given to a drug product by its manufacturer, labeler or distributor.

(f) "Deliver" or "delivery" means the actual, constructive or attempted transfer from one person to another of any drug whether or not an agency relationship exists.

(g) "Direct supervision" means the process by which the responsible pharmacist shall observe and direct the activities of a pharmacy student or pharmacy technician to a sufficient degree to assure that all such activities are performed accurately, safely and without risk or harm to patients, and complete the final check before dispensing.

(h) "Dispense" means to deliver prescription medication to the ultimate user or research subject by or pursuant to the lawful order of a practitioner or pursuant to the prescription of a mid-level practitioner.

(i) "Dispenser" means a practitioner or pharmacist who dispenses prescription medication.

(j) "Distribute" means to deliver, other than by administering or dispensing, any drug.

(k) "Distributor" means a person who distributes a drug.

(l) "Drug" means: (1) Articles recognized in the official United States pharmacopoeia, or other such official compendiums of the United States, or official national formulary, or any supplement of any of them; (2) articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals; (3) articles, other than food, intended to affect the structure or any function of the body of man or other animals; and (4) articles intended for use as a component of any articles specified in clause (1), (2) or (3) of this subsection; but does not include devices or their components, parts or accessories, except that the term "drug" shall not include amygdalin (laetrile) or any livestock remedy, as defined in K.S.A. 47-501 and amendments thereto, if such livestock

(continued)

remedy has been registered in accordance with the provisions of article 5 of chapter 47 of the Kansas Statutes Annotated.

(m) "Electronic transmission" means transmission of information in electronic form or the transmission of the exact visual image of a document by way of electronic equipment.

(n) "Generic name" means the established chemical name or official name of a drug or drug product.

(o) (1) "Institutional drug room" means any location where prescription-only drugs are stored and from which prescription-only drugs are administered or dispensed and which is maintained or operated for the purpose of providing the drug needs of:

(A) inmates of a jail or correctional institution or facility;

(B) residents of a juvenile detention facility, as defined by the Kansas code for care of children and the Kansas juvenile justice code;

(C) students of a public or private university or college, a community college or any other institution of higher learning which is located in Kansas; or

(D) employees of a business or other employer; or

(E) persons receiving inpatient hospice services.

(2) "Institutional drug room" does not include:

(A) Any registered pharmacy;

(B) any office of a practitioner; or

(C) a location where no prescription-only drugs are dispensed and no prescription-only drugs other than individual prescriptions are stored or administered.

(p) "Medical care facility" shall have the meaning provided in K.S.A. 65-425 and amendments thereto, except that the term shall also include facilities licensed under the provisions of K.S.A. 75-3307b and amendments thereto except community mental health centers and facilities for the mentally retarded.

(q) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of a drug either directly or indirectly by extraction from substances of natural origin, independently by means of chemical synthesis or by a combination of extraction and chemical synthesis and includes any packaging or repackaging of the drug or labeling or relabeling of its container, except that this term shall not include the preparation or compounding of a drug by an individual for the individual's own use or the preparation, compounding, packaging or labeling of a drug by: (1) A practitioner or a practitioner's authorized agent incident to such practitioner's administering or dispensing of a drug in the course of the practitioner's professional practice; (2) a practitioner, by a practitioner's authorized agent or under a practitioner's supervision for the purpose of, or as an incident to, research, teaching or chemical analysis and not for sale; or (3) a pharmacist or the pharmacist's authorized agent acting under the direct supervision of the pharmacist for the purpose of, or incident to, the dispensing of a drug by the pharmacist.

(r) "Person" means individual, corporation, government, governmental subdivision or agency, partnership, association or any other legal entity.

(s) "Pharmacist" means any natural person licensed under this act to practice pharmacy.

(t) "Pharmacist in charge" means the pharmacist who is responsible to the board for a registered establishment's compliance with the laws and regulations of this state pertaining to the practice of pharmacy, manufacturing of drugs and the distribution of drugs. The pharmacist in charge shall supervise such establishment on a full-time or a part-time basis and perform such other duties relating to supervision of a registered establishment as may be prescribed by the board by rules and regulations. Nothing in this definition shall relieve other pharmacists or persons from their responsibility to comply with state and federal laws and regulations.

(u) "Pharmacy," "drug store" or "apothecary" means premises, laboratory, area or other place: (1) Where drugs are offered for sale where the profession of pharmacy is practiced and where prescriptions are compounded and dispensed; or (2) which has displayed upon it or within it the words "pharmacist," "pharmaceutical chemist," "pharmacy," "apothecary," "drugstore," "druggist," "drugs," "drug sundries" or any of these words or combinations of these words or words of similar import either in English or any sign containing any of these words; or (3) where the characteristic symbols of pharmacy or the characteristic prescription sign "Rx" may be exhibited. As used in this subsection, premises refers only to the portion of any building or structure leased, used or controlled by the licensee in the conduct of the business registered by the board at the address for which the registration was issued.

(v) "Pharmacy student" means an individual, registered with the board of pharmacy, enrolled in an accredited school of pharmacy.

(w) "Pharmacy technician" means an individual who, under the direct supervision and control of a pharmacist, may perform packaging, manipulative, repetitive or other nondiscretionary tasks related to the processing of a prescription or medication order and who assists the pharmacist in the performance of pharmacy related duties, but who does not perform duties restricted to a pharmacist.

(x) "Practitioner" means a person licensed to practice medicine and surgery, dentist, podiatrist, veterinarian, optometrist licensed under the optometry law as a therapeutic licensee or diagnostic and therapeutic licensee, or scientific investigator or other person authorized by law to use a prescription-only drug in teaching or chemical analysis or to conduct research with respect to a prescription-only drug.

(y) "Preceptor" means a licensed pharmacist who possesses at least two years' experience as a pharmacist and who supervises students obtaining the pharmaceutical experience required by law as a condition to taking the examination for licensure as a pharmacist.

(z) "Prescription" means, according to the context, either a prescription order or a prescription medication.

(aa) "Prescription medication" means any drug, including label and container according to context, which is dispensed pursuant to a prescription order.

(bb) "Prescription-only drug" means any drug whether intended for use by man or animal, required by federal or state law (including 21 United States Code section 353, as amended) to be dispensed only pursuant to a written or oral prescription or order of a practitioner or is restricted to use by practitioners only.

(cc) "Prescription order" means: (1) An order to be filled by a pharmacist for prescription medication issued and signed by a practitioner or a mid-level practitioner in the authorized course of professional practice; or (2) an order transmitted to a pharmacist through word of mouth, note, telephone or other means of communication directed by such practitioner or mid-level practitioner.

(dd) "Probation" means the practice or operation under a temporary license, registration or permit or a conditional license, registration or permit of a business or profession for which a license, registration or permit is granted by the board under the provisions of the pharmacy act of the state of Kansas requiring certain actions to be accomplished or certain actions not to occur before a regular license, registration or permit is issued.

(ee) "Professional incompetency" means:

(1) One or more instances involving failure to adhere to the applicable standard of pharmaceutical care to a degree which constitutes gross negligence, as determined by the board;

(2) repeated instances involving failure to adhere to the applicable standard of pharmaceutical care to a degree which constitutes ordinary negligence, as determined by the board; or

(3) a pattern of pharmacy practice or other behavior which demonstrates a manifest incapacity or incompetence to practice pharmacy.

(ff) "Retail dealer" means a person selling at retail nonprescription drugs which are prepackaged, fully prepared by the manufacturer or distributor for use by the consumer and labeled in accordance with the requirements of the state and federal food, drug and cosmetic acts. Such nonprescription drugs shall not include: (1) A controlled substance; (2) a prescription-only drug; or (3) a drug intended for human use by hypodermic injection.

(gg) "Secretary" means the executive secretary of the board.

(hh) "Unprofessional conduct" means:

(1) Fraud in securing a registration or permit;

(2) intentional adulteration or mislabeling of any drug, medicine, chemical or poison;

(3) causing any drug, medicine, chemical or poison to be adulterated or mislabeled, knowing the same to be adulterated or mislabeled;

(4) intentionally falsifying or altering records or prescriptions;

(5) unlawful possession of drugs and unlawful diversion of drugs to others;

(6) willful betrayal of confidential information under K.S.A. 65-1654 and amendments thereto;

(7) conduct likely to deceive, defraud or harm the public;

(8) making a false or misleading statement regarding the licensee's professional practice or the efficacy or value of a drug;

(9) commission of any act of sexual abuse, misconduct or exploitation related to the licensee's professional practice; or

(10) performing unnecessary tests, examinations or services which have no legitimate pharmaceutical purpose.

(ii) "Mid-level practitioner" means an advanced registered nurse practitioner issued a certificate of qualification pursuant to K.S.A. 65-1131 and amendments thereto who has authority to prescribe drugs pursuant to a written protocol with a responsible physician under K.S.A. 65-1130 and amendments thereto or a physician's assistant registered pursuant to K.S.A. 65-2896a and amendments thereto who has authority to prescribe drugs pursuant to a written protocol with a responsible physician under K.S.A. 65-2896e and amendments thereto.

(jf) "Veterinary medical teaching hospital pharmacy" means any location where prescription-only drugs are stored as part of an accredited college of veterinary medicine and from which prescription-only drugs are distributed for use in treatment of or administration to a non-human.

Sec. 2. K.S.A. 1999 Supp. 65-1643 is hereby amended to read as follows: 65-1643. On and after the effective date of this act, it shall be unlawful:

(a) For any person to operate, maintain, open or establish any pharmacy within this state without first having obtained a registration from the board. Each application for registration of a pharmacy shall indicate the person or persons desiring the registration, including the pharmacist in charge, as well as the location, including the street name and number, and such other information as may be required by the board to establish the identity and exact location of the pharmacy. The issuance of a registration for any pharmacy shall also have the effect of permitting such pharmacy to operate as a retail dealer without requiring such pharmacy to obtain a retail dealer's permit. On evidence satisfactory to the board: (1) That the pharmacy for which the registration is sought will be conducted in full compliance with the law and the rules and regulations of the board; (2) that the location and appointments of the pharmacy are such that it can be operated and maintained without endangering the public health or safety; (3) that the pharmacy will be under the supervision of a pharmacist, a registration shall be issued to such persons as the board shall deem qualified to conduct such a pharmacy.

(b) For any person to manufacture within this state any drugs except under the personal and immediate supervision of a pharmacist or such other person or persons as may be approved by the board after an investigation and a determination by the board that such person or persons is qualified by scientific or technical training or experience to perform such duties of supervision as may be necessary to protect the public health and safety; and no person shall manufacture any such drugs without first obtaining a registration so to do from the board. Such registration shall be subject to such rules and regulations with respect to requirements, sanitation and equipment, as the board may from time to time adopt for the protection of public health and safety.

(c) For any person to distribute at wholesale any drugs without first obtaining a registration so to do from the board.

(d) For any person to sell or offer for sale at public auction or private sale in a place where public auctions are conducted, any drugs without first having obtained a registration from the board so to do, and it shall be necessary to obtain the permission of the board in every instance where any of the products covered by this section are to be sold or offered for sale.

(e) For any person to in any manner distribute or dispense samples of any drugs without first having obtained a permit from the board so to do, and it shall be necessary to obtain permission from the board in every instance where the samples are to be distributed or dispensed. Nothing in this subsection shall be held to regulate or in any manner interfere with the furnishing of samples of drugs to duly licensed practitioners, to mid-level practitioners, to pharmacists or to medical care facilities.

(f) Except as otherwise provided in this subsection (f), for any person operating a store or place of business to sell, offer for sale or distribute any drugs to the public without first having obtained a registration or permit from the board authorizing such person so to do. No retail dealer who sells 12 or fewer different nonprescription drug products shall be required to obtain a retail dealer's permit under the pharmacy act of the state of Kansas or to pay a retail dealer new permit or permit renewal fee under such act. It shall be lawful for a retail dealer who is the holder of a valid retail dealer's permit issued by the board or for a retail dealer who sells 12 or fewer different nonprescription drug products to sell and distribute nonprescription drugs which are prepackaged, fully prepared by

the manufacturer or distributor for use by the consumer and labeled in accordance with the requirements of the state and federal food, drug and cosmetic acts. Such nonprescription drugs shall not include: (1) A controlled substance; (2) a prescription-only drug; or (3) a drug product intended for human use by hypodermic injection; but such a retail dealer shall not be authorized to display any of the words listed in subsection (u) of K.S.A. 65-1626 and amendments thereto, for the designation of a pharmacy or drugstore.

(g) For any person to sell any drugs manufactured and sold only in the state of Kansas, unless the label and directions on such drugs shall first have been approved by the board.

(h) For any person to operate an institutional drug room without first having obtained a registration to do so from the board. Such registration shall be subject to the provisions of K.S.A. 65-1637a and amendments thereto and any rules and regulations adopted pursuant thereto.

(i) For any person to be a pharmacy student without first obtaining a registration to do so from the board, in accordance with rules and regulations adopted by the board, and paying a pharmacy student registration fee of \$25 to the board.

(j) For any person to operate a veterinary medical teaching hospital pharmacy without first having obtained a registration to do so from the board. Such registration shall be subject to the provisions of section 4 and amendments thereto and any rules and regulations adopted pursuant thereto.

Sec. 3. K.S.A. 1999 Supp. 65-1645 is hereby amended to read as follows: 65-1645. (a) Application for registrations or permits under K.S.A. 65-1643 and amendments thereto shall be made on a form prescribed and furnished by the board. Applications for registration to distribute at wholesale any drugs shall contain such information as may be required by the board in accordance with the provisions of K.S.A. 65-1655 and amendments thereto. The application shall be accompanied by the fee prescribed by the board under the provisions of this section. When such application and fees are received by the executive secretary of the board on or before the due date, such application shall have the effect of temporarily renewing the applicant's registration or permit until actual issuance or denial of the renewal. However, if at the time of filing a proceeding is pending before the board which may result in the suspension, probation, revocation or denial of the applicant's registration or permit, the board may declare, by emergency order, that such application for renewal shall not have the effect of temporarily renewing such applicant's registration or permit. Separate applications shall be made and separate registrations or permits issued for each separate place at which is carried on any of the operations for which a registration or permit is required by K.S.A. 65-1643 and amendments thereto except that the board may provide for a single registration for a business entity registered to manufacture any drugs or registered to distribute at wholesale any drugs and operating more than one facility within the state, or for a parent entity with divisions, subsidiaries or affiliate companies, or any combination thereof, within the state when operations are conducted at more than one location and there exists joint ownership and control among all the entities.

(b) The fees required for the issuing of the licenses, registrations or permits under the pharmacy act of the state of Kansas shall be fixed by the board as herein provided, subject to the following:

- (1) Pharmacy, new registration not more than \$150, renewal not more than \$125;
- (2) pharmacist, examination fee not more than \$350;
- (3) pharmacist, examination fee for previously licensed pharmacist not more than \$250;
- (4) pharmacist, biennial renewal fee not more than \$200;
- (5) pharmacist, evaluation fee not more than \$250;
- (6) pharmacist, reciprocal licensure fee not more than \$250;
- (7) pharmacist, penalty fee, not more than \$500;
- (8) manufacturer, new registration not more than \$500, renewal not more than \$400;
- (9) wholesaler, new registration not more than \$500, renewal not more than \$400, except that a wholesaler dealing exclusively in nonprescription drugs, the manufacturing, distributing or dispensing of which does not require registration under the uniform controlled substances act, shall be assessed a fee for registration and reregistration not to exceed \$50;
- (10) special auction not more than \$50;

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(Published in the Kansas Register April 27, 2000.)

Substitute for HOUSE BILL No. 2527

AN ACT concerning agricultural production loans; amending K.S.A. 75-4209 and 75-4231 and repealing the existing sections,

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

New Section 1. (a) The provisions of sections 1 through 7, and amendments thereto, shall be known and may be cited as the Kansas agricultural production loan deposit program.

(b) The provisions of sections 1 through 7, and amendments thereto, shall be effective on and after July 1, 2000.

New Sec. 2. As used in sections 1 through 7, and amendments thereto: (a) "Agricultural production loan deposit" means an investment account placed by the director of investments under the provisions of article 42 of chapter 75 of the Kansas Statutes Annotated with an eligible lending institution for the purpose of carrying out the intent of this act;

(b) "agricultural production loan deposit loan package" means the forms provided by the state treasurer for the purpose of applying for an agricultural production loan deposit;

(c) "eligible lending institution" means:

(1) a bank, as defined under K.S.A. 75-4201, and amendments thereto, that agrees to participate in the Kansas agricultural production loan deposit program and is eligible to be a depository of state funds; or

(2) an institution of the farm credit system organized under the federal farm credit act of 1971 (12 U.S.C. 2001), as amended, that agrees to participate in the Kansas agricultural production loan deposit program and provides securities acceptable to the pooled money investment board pursuant to article 42 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto; and

(d) "eligible agricultural borrower" means any individual, limited liability agricultural company, limited agricultural partnership or family farm corporation as defined in K.S.A. 17-5903 and amendments thereto involved in farming.

New Sec. 3. (a) The state treasurer is hereby authorized to administer the Kansas agricultural production loan deposit program. Such program shall be for the purpose of providing incentives for the making of agricultural production loans. The state treasurer shall promulgate rules and regulations to carry out the provisions of sections 1 through 7, and amendments thereto.

(b) The state treasurer shall submit an annual report outlining the status of the program to the governor and the legislature.

New Sec. 4. (a) The state treasurer is hereby authorized to disseminate information and to provide agricultural production loan deposit loan packages to the lending institutions eligible for participation in this act.

(b) The agricultural production loan deposit loan package shall be completed by the borrower before being forwarded to the lending institution for consideration.

(c) (1) An eligible lending institution that agrees to receive an agricultural production loan deposit shall accept and review applications for loans from eligible agricultural borrowers. The lending institution shall apply all usual lending standards to determine the credit worthiness of eligible agricultural borrowers. No single agricultural production loan deposit loan shall exceed \$250,000. The total aggregate amount of agricultural production loan deposit loans under this program shall not exceed \$50,000,000 of unencumbered funds pursuant to article 42 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto.

(2) To be eligible to obtain an agricultural production loan, an eligible agricultural borrower must have a debt-to-asset ratio of 40% or greater.

(3) Only one agricultural production loan deposit loan shall be made and be outstanding at any one time to any agricultural borrower.

(4) No loan shall be amortized for a period of more than eight years.

(d) An eligible agricultural borrower shall certify on its loan application that the reduced rate loan will be used exclusively for the operating expenses involved in farming.

(e) The eligible lending institution may approve or reject an agricultural production loan deposit loan package based on the lending institution's evaluation of the eligible agricultural borrowers included in the package, the amount of the individual loan in the package and other appropriate considerations.

(f) The eligible lending institution shall forward to the state treasurer, an approved agricultural production loan deposit loan package, in the form and manner prescribed and approved by the state treasurer. The

- (11) samples distribution not more than \$50;
- (12) institutional drug room, new registration not more than \$40, renewal not more than \$35;
- (13) retail dealer selling more than 12 different nonprescription drug products, new permit not more than \$12, renewal not more than \$12; or
- (14) certification of grades for each applicant for examination and registration not more than \$25; or
- (15) veterinary medical teaching hospital pharmacy, new registration not more than \$40, renewal not more than \$35.

(c) For the purpose of fixing fees, the board may establish classes of retail dealers' permits for retail dealers selling more than 12 different nonprescription drug products, and the board may fix a different fee for each such class of permit.

(d) The board shall determine annually the amount necessary to carry out and enforce the provisions of this act for the next ensuing fiscal year and shall fix by rules and regulations the fees authorized for such year at the sum deemed necessary for such purposes. The fees fixed by the board under this section immediately prior to the effective date of this act shall continue in effect until different fees are fixed by the board by rules and regulations as provided under this section.

(e) The board may deny renewal of any registration or permit required by K.S.A. 65-1643 and amendments thereto on any ground which would authorize the board to suspend, revoke or place on probation a registration or permit previously granted pursuant to the provisions of K.S.A. 65-1643 and amendments thereto. Registrations and permits issued under the provisions of K.S.A. 65-1643 and 65-1644 and amendments thereto shall be conspicuously displayed in the place for which the registration or permit was granted. Such registrations or permits shall not be transferable. All such registrations and permits except retail dealer permits shall expire on June 30 following date of issuance. Retail dealers' permits shall expire on the last day of February. All registrations and permits shall be renewed annually. Application blanks for renewal of registrations and permits shall be mailed by the board to each registrant or permittee at least 30 days prior to expiration of the registration or permit. If application for renewal is not made before 30 days after such expiration, the existing registration or permit shall lapse and become null and void on the date of its expiration, and no new registration or permit shall be granted except upon payment of the required renewal fee plus a penalty equal to the renewal fee. Failure of any registrant or permittee to receive such application blank shall not relieve the registrant or permittee from the penalty hereby imposed if the renewal is not made as prescribed.

(f) In each case in which a license of a pharmacist is issued or renewed for a period of time less than two years, the board shall prorate to the nearest whole month the license or renewal fee established pursuant to K.S.A. 65-1645 and amendments thereto.

(g) The board may require that fees paid for any examination under the pharmacy act of the state of Kansas be paid directly to the examination service by the person taking the examination.

New Sec. 4. (a) Distribution and control of prescription-only drugs in a veterinary medical teaching hospital pharmacy shall be under the supervision of a pharmacist in charge. The pharmacist in charge shall also be responsible for establishing and maintaining adequate policies and procedures for training of personnel; storage and maintenance of prescription-only drugs and equipment; quality assurance, labeling, packaging and distribution of prescription-only drugs; recordkeeping and security.

(b) The board shall adopt such rules and regulations relating to the policies and procedures for veterinary medical teaching hospital pharmacies as necessary for proper control of prescription-only drugs by such veterinary medical teaching hospital pharmacies and adequate safety.

(c) This section shall be part of and supplemental to the pharmacy act of the state of Kansas.

Sec. 5. K.S.A. 1999 Supp. 65-1626, 65-1643 and 65-1645 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.

package shall include information regarding the amount of the loan requested by each eligible agricultural borrower and such other information regarding each eligible agricultural borrower the state treasurer requires, including a certification by the applicant that such applicant is an eligible agricultural borrower.

New Sec. 5. (a) The state treasurer may accept or reject an agricultural production loan deposit loan package based on the state treasurer's evaluation of whether the loan to the eligible agricultural borrower meets the purposes of this act. If sufficient funds are not available for an agricultural production loan deposit, then the applications may be considered in the order received when funds are, once again available subject to a review by the lending institution.

(b) Upon acceptance, the state treasurer shall certify to the director of investments the amount required for such agricultural production loan deposit loan package and the director of investments shall place an agricultural production loan deposit in the amount certified by the state treasurer with the eligible lending institution at an interest rate, which is 2% below the market rate provided in K.S.A. 75-4237, and amendments thereto, and which shall be recalculated on the first business day of each calendar year using the market rate then in effect. When necessary, the state treasurer may request the director of investments to place such agricultural production loan deposit prior to acceptance of an agricultural production loan deposit loan package.

(c) The eligible lending institution shall enter into an agricultural production loan deposit agreement with the state treasurer, which shall include requirements necessary to implement the purposes of the Kansas agricultural production loan deposit program. Such requirements shall include an agreement by the eligible lending institution to lend an amount equal to the agricultural production loan deposit to eligible agricultural borrowers at an interest rate which is not more than 2% above the market rate as determined under K.S.A. 75-4237, and amendments thereto, and which shall be recalculated on the first business day of each calendar year using the market rate then in effect. The agreement shall include provisions for the agricultural production loan deposit to be placed for a maturity considered appropriate in coordination with the underlying agricultural production loan. The agreement shall include provisions for the reduction of the agricultural production loan deposit in an amount equal to any payment of loan principal by the eligible agricultural borrower.

New Sec. 6. (a) Upon the placement of an agricultural production loan deposit with an eligible lending institution, the institution shall fund the loan to each approved eligible agricultural borrower listed in the agricultural production loan deposit loan package in accordance with the agricultural production loan deposit agreement between the institution and the state treasurer. The loan shall be at a rate as provided in section 5 and amendments thereto. A certification of compliance with this section in the form and manner as prescribed by the state treasurer shall be required of the eligible lending institution.

(b) The state treasurer shall take any and all steps necessary to implement the Kansas agricultural production loan deposit program.

New Sec. 7. The state and the state treasurer shall not be liable to any eligible lending institution in any manner for payment of the principal or interest on the loan to an eligible agricultural borrower. Any delay in payments or default on the part of an eligible agricultural borrower does not in any manner affect the agricultural production loan deposit agreement between the eligible lending institution and the state treasurer.

Sec. 8. On and after July 1, 2000, K.S.A. 75-4209 is hereby amended to read as follows: 75-4209. (a) The director of investments may invest and reinvest state moneys eligible for investment which are not invested in accordance with K.S.A. 75-4237, in the following investments:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of the United States sponsored enterprises which under federal law may be accepted as security for public funds, on and after the effective date of this act moneys available for investment under this subsection shall not be invested in mortgage-backed securities of such enterprises and of the government national mortgage association, except that any such mortgage-backed securities held prior to the effective date of this act may be held to maturity;

(2) repurchase agreements with a bank or a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof and obligation, and securities of United States gov-

ernment sponsored enterprises which under federal law may be accepted as security for public funds;

(3) commercial paper that does not exceed 270 days to maturity and which has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm;

(b) When moneys are available for deposit or investments, the director of investments may invest in SKILL act projects and bonds pursuant to K.S.A. 1997 Supp. 74-8920, and amendments thereto, and in state agency bonds and bond projects.

(c) When moneys are available for deposits or investments, the director of investments may invest in preferred stock of Kansas venture capital, inc., under terms and conditions prescribed by K.S.A. 74-8203, and amendments thereto, but such investments shall not in the aggregate exceed a total amount of \$10,000,000.

(d) When moneys are available for deposits or investments, the director of investments may invest in loans pursuant to legislative mandates, except that not more than the lesser of 10% or \$80,000,000 of the state moneys shall be invested.

(e) Interest on investment accounts in banks is to be paid at maturity, but not less than annually.

(f) Investments made by the director of investments under the provisions of this section shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

(g) Investments under subsection (a) or (b) of this section or under K.S.A. 75-4237 shall be for a period not to exceed four years, *except that agricultural production loan deposits authorized under the provisions of sections 1 through 7, and amendments thereto, shall not exceed a period of eight years.*

(h) Investments in securities under paragraph (1) of subsection (a) shall be limited to securities which do not have any more interest rate risk than do direct United States government obligations of similar maturities. For purposes of this subsection, "interest rate risk" means market value changes due to changes in current interest rates.

(i) The director of investments shall not invest state moneys eligible for investment under subsection (a), in the municipal investment pool fund, created under K.S.A. 1997 Supp. 12-1677a, and amendments thereto.

(j) The director of investments shall not invest moneys in the pooled money investment portfolio in derivatives. As used in this subsection, "derivatives" means a financial contract whose value depends on the value of an underlying asset or index of asset values.

(k) Moneys and investments in the pooled money investment portfolio shall be invested and reinvested by the director of investments in accordance with investment policies developed, approved, published and updated on an annual basis by the board. Such investment policies shall include at a minimum guidelines which identify credit standards, eligible instruments, allowable maturity ranges, methods for valuing the portfolio, calculating earnings and yields and limits on portfolio concentration for each type of investment. Any changes in such investment policies shall be approved by the pooled money investment board. Such investment policies may specify the contents of reports, methods of crediting funds and accounts and other operating procedures.

(l) The board shall adopt rules and regulations to establish an overall percentage limitation on the investment of moneys in investments authorized under paragraph (3) of subsection (a), and within such authorized investment, the board shall establish a percentage limitation on the investment in any single business entity.

Sec. 9. On and after July 1, 2000, K.S.A. 75-4237 is hereby amended to read as follows: 75-4237. (a) The director of investments shall accept requests from banks interested in obtaining investment accounts of state moneys. Such requests may be submitted any business day and shall specify the dollar amount, maturity or maturity range and interest rate. *Except as provided in subsection (c), if the interest rate bid by the bank is at or greater than the market rate determined by the director of investments in accordance with subsection (b), the director of investments is authorized to award the investment account to the bidding bank at the market rate.* Awards of investment accounts pursuant to this section shall be subject to investment policies of the pooled money investment board. When multiple bids are received and are in excess of the amount available for investment that day for any maturity, awards shall be made available

(continued)

in ascending order from smallest to largest dollar amount bid, subject to investment policies of the board.

(b) The market rate shall be determined each business day by the director of investments, in accordance with any procedures established by the pooled money investment board. Subject to any policies of the board, the market rate shall reflect the highest rate at which state moneys can be invested on the open market in investments authorized by subsection (a) of K.S.A. 75-4209 and amendments thereto for equivalent maturities.

(c) Notwithstanding the provisions of this section, agricultural production loan deposits made pursuant to the provisions of sections 1 through 7 and amendments thereto, shall be at 2% less than the market rate provided by this section and which shall be recalculated on the first business day of each calendar year using the market rate then in effect.

New Sec. 10. (a) On and after the effective date of this act and prior to July 1, 2004, a state bank or national banking association which extends or renews an agricultural production loan under the provisions of this section to an eligible agricultural borrower at an interest rate which is at least one whole percentage point less than the prime interest rate then specified by the bank on such loans with equivalent collateral, and a state bank or national banking association which reduces the rate of interest being charged on any outstanding agricultural production loan to an eligible agricultural borrower by at least one whole percentage point shall receive a credit against its tax liability pursuant to K.S.A. 79-1106 *et seq.*, and amendments thereto, for taxable years commencing after December 31, 1999, to the extent hereinafter provided. Such tax credit shall be allowed for such interest rate reductions upon agricultural production loans having a total principal amount not exceeding 15% of the amount of such loans reflected in the bank's report of condition filed with the federal deposit insurance corporation as of December 31, 1999.

(b) For the purposes of this section, the term "eligible agricultural borrower" means any person, limited agricultural partnership, limited liability agricultural company or family farm corporation, as defined in K.S.A. 17-5903, and amendments thereto, located in the state of Kansas, having an agricultural production loan which has been classified as substandard or doubtful: (1) by any banking regulator, the farm credit administration or a district farm credit system institution which is subject to review by the farm credit administration; or (2) by the designated loan committee of such banking association prior to examination for classification eligibility by the banking regulator, the farm credit administration or a district farm credit system institution which is subject to review by the farm credit administration.

(c) An interest rate reduction may be applied under the provisions of this section only when the eligible borrower can be reasonably expected to service the principal and interest for the term of such person's loan.

(d) The total credit against tax liability shall be the amount by which the interest income to the state bank or national banking association on and after the effective date of this act and prior to July 1, 2004, has been reduced on such loans because of such reductions in rates of interest, except that the credit allowed as a result of an interest rate reduction on any one agricultural production loan shall not exceed an amount equal to 3% per annum on the unpaid principal balance of the loan. The tax credit allowed for any taxable year shall not exceed 1/3 of the total tax credit of the bank allowed under this section. Unused tax credit shall be carried forward as a credit to the bank's tax liability in each subsequent taxable year and shall then be taken into account, subject to the limitation that the credit in any one taxable year may not exceed 1/3 of the total tax credit.

New Sec. 11. (a) On and after the effective date of this act and prior to July 1, 2004, any production credit association or agricultural credit association chartered by the farm credit administration under the federal

farm credit act, as amended (12 U.S.C. 2001 *et seq.*), which extends or renews an agricultural production loan under the provisions of this section to an eligible agricultural borrower at an interest rate which is at least one whole percentage point less than the lowest rate at which the association is making agricultural production loans to agricultural loan customers with equivalent collateral, and any such association which reduces the rate of interest being charged on any outstanding agricultural production loan to an eligible agricultural borrower by at least one whole percentage point shall receive a credit against its income tax liability pursuant to article 32 of chapter 79 of the Kansas Statutes Annotated, for taxable years commencing after December 31, 1999, to the extent hereinafter provided. Such tax credit shall be allowed for such interest rate reductions by an association upon agricultural production loans having a total principal amount not exceeding 15% of the amount of such loans reflected in the association's report filed with the farm credit administration for calendar year 1999.

(b) For the purposes of this section, the term "eligible agricultural borrower" means any person, limited agricultural partnership, limited liability agricultural company or family farm corporation, as defined in K.S.A. 17-5903, and amendments thereto, located in the state of Kansas, having an agricultural production loan which has been classified as substandard or doubtful: (1) By any banking regulator, the farm credit administration or a district farm credit system institution which is subject to review by the farm credit administration; or (2) by the designated loan committee of such association prior to examination for classification eligibility by the banking regulator, the farm credit administration or a district farm credit system institution which is subject to review by the farm credit administration.

(c) An interest rate reduction may be applied under the provisions of this section only when the eligible borrower can be reasonably expected to service the principal and interest of such person's loan.

(d) The total credit against tax liability shall be the amount by which the interest income to the association on and after the effective date of this act and prior to July 1, 2004, has been reduced on such loans because of such reductions in rates of interest, except that the credit allowed as a result of an interest rate reduction on any one agricultural production loan shall not exceed an amount equal to 3% per annum on the unpaid principal balance of the loan. The tax credit allowed for any taxable year shall not exceed 1/3 of the total tax credit of the association allowed under this section. Unused tax credit shall be carried forward as a credit to the association's tax liability in each subsequent taxable year and shall then be taken into account, subject to the limitation that the credit in any one taxable year may not exceed 1/3 of the total tax credit.

(e) Any taxpayer who qualified for and claimed credit under this section prior to its amendment by this section shall continue to be subject to this section as in effect at the time the taxpayer qualified for such credits for the entire period for which the credits were claimed.

New Sec. 12. Any state bank, national banking association or production credit association or agricultural credit association chartered by the farm credit administration under the federal farm credit act, as amended (12 U.S.C. 2001 *et seq.*), who claims a tax credit pursuant to section 10 or 11, and amendments thereto, shall not use any funds from an agricultural production loan deposit, invested pursuant to sections 1 through 7, and amendments thereto, for agricultural production loans to qualify for the tax credit pursuant to section 10 or 11, and amendments thereto.

Sec. 13. On and after July 1, 2000, K.S.A. 75-4209 and 75-4237 are hereby repealed.

Sec. 14. This act shall take effect and be in force from and after its publication in the Kansas register.

INDEX TO ADMINISTRATIVE REGULATIONS

This index lists in numerical order the new, amended and revoked administrative regulations and the volume and page number of the *Kansas Register* issue in which more information can be found. Temporary regulations are designated with a (T) in the Action column. This cumulative index supplements the index to the 1997 Volumes of the *Kansas Administrative Regulations* and the 1999 Supplement to the *Kansas Administrative Regulations*.

AGENCY 1: DEPARTMENT OF ADMINISTRATION

Reg. No.	Action	Register
1-1-5	New	V. 18, p. 1337
1-2-30	Amended	V. 18, p. 1337
1-2-74	New	V. 18, p. 1337
1-2-84	Amended	V. 18, p. 1337
1-2-84a	New	V. 18, p. 1337
1-2-84b	New	V. 18, p. 1338
1-4-8	Amended	V. 18, p. 1338
1-5-22	Amended	V. 18, p. 1338
1-6-25	Amended	V. 18, p. 1338
1-6-32	Amended	V. 18, p. 1339
1-8-6	Amended	V. 18, p. 1339
1-9-2	Amended	V. 18, p. 1340
1-9-7b	Amended (T)	V. 18, p. 1748
1-9-14	Amended (T)	V. 18, p. 1390
1-9-19a	Amended	V. 18, p. 1341
1-9-23	Amended (T)	V. 19, p. 243
1-9-25	Amended	V. 18, p. 1342
1-10-10	New	V. 18, p. 1344
1-10-11	New	V. 18, p. 1345
1-16-18	Amended	V. 18, p. 869
1-16-18a	Amended	V. 18, p. 869
1-18-1a	Amended	V. 18, p. 871

AGENCY 4: DEPARTMENT OF AGRICULTURE

Reg. No.	Action	Register
4-7-213	Amended	V. 19, p. 117
4-7-214	Amended	V. 19, p. 117
4-7-215	Revoked	V. 19, p. 118
4-7-216	New	V. 19, p. 118
4-20-11	Amended	V. 18, p. 418
4-20-15	New	V. 18, p. 418
4-21-1 through 4-21-6	New	V. 18, p. 418-420

AGENCY 7: SECRETARY OF STATE

Reg. No.	Action	Register
7-31-1 through 7-31-4	Revoked	V. 18, p. 672
7-35-1	Amended (T)	V. 18, p. 1389
7-35-1	Amended	V. 18, p. 1879
7-35-2	Amended (T)	V. 18, p. 1390
7-35-2	Amended	V. 18, p. 1879
7-40-1	New	V. 18, p. 1148

AGENCY 9: ANIMAL HEALTH DEPARTMENT

Reg. No.	Action	Register
9-20-4	New	V. 18, p. 161
9-29-6	Amended	V. 18, p. 895

AGENCY 11: STATE CONSERVATION COMMISSION

Reg. No.	Action	Register
11-7-1 through 11-7-8	Amended	V. 18, p. 1808-1810
11-7-10	Amended	V. 18, p. 1811

11-7-11 through 11-7-15	New	V. 18, p. 1811, 1812
11-9-1 through 11-9-10	New	V. 18, p. 79, 80

AGENCY 16: ATTORNEY GENERAL

Reg. No.	Action	Register
16-6-1	Amended	V. 19, p. 399

AGENCY 17: STATE BANK COMMISSIONER

Reg. No.	Action	Register
17-22-1	Amended	V. 19, p. 500
17-23-16	Amended	V. 19, p. 500
17-24-1	New	V. 18, p. 956
17-24-2	New	V. 18, p. 956

AGENCY 22: STATE FIRE MARSHAL

Reg. No.	Action	Register
22-19-1	Amended	V. 18, p. 1170
22-19-2	Amended	V. 18, p. 1170
22-19-3	Amended	V. 18, p. 1171
22-19-4a	New	V. 18, p. 1171

AGENCY 25: DEPARTMENT OF AGRICULTURE (KANSAS STATE GRAIN INSPECTION)

Reg. No.	Action	Register
25-5-1	New	V. 18, p. 53

AGENCY 26: DEPARTMENT ON AGING

Reg. No.	Action	Register
26-1-2	Amended	V. 18, p. 188
26-1-4	Amended	V. 18, p. 544
26-1-6	Amended	V. 18, p. 544
26-1-9	New	V. 18, p. 188
26-2-4	Amended	V. 18, p. 1880
26-2-7	Amended	V. 18, p. 1880
26-2-9	Amended	V. 18, p. 1880
26-3-1	Amended	V. 18, p. 1881
26-3-3	Revoked	V. 18, p. 1882
26-3-5	Amended	V. 18, p. 1882
26-8-4	Revoked	V. 18, p. 1882

AGENCY 27: STATE CORPORATION COMMISSION (KANSAS ENERGY OFFICE)

Reg. No.	Action	Register
27-2-1	Revoked	V. 18, p. 231

AGENCY 28: DEPARTMENT OF HEALTH AND ENVIRONMENT

Reg. No.	Action	Register
28-1-2	Amended	V. 19, p. 141
28-1-6	Amended	V. 18, p. 953
28-1-18	Amended	V. 19, p. 141
28-1-25	Revoked	V. 18, p. 105
28-1-26	New	V. 19, p. 142
28-4-330 through 28-4-343	New (T)	V. 18, p. 1058-1070
28-4-330 through 28-4-343	New	V. 18, p. 1600-1612
28-4-501	Amended	V. 19, p. 422
28-4-503	Amended	V. 19, p. 423
28-4-504	Amended	V. 19, p. 423
28-4-505	Amended	V. 19, p. 423
28-4-513	Amended	V. 19, p. 423
28-4-530	Revoked	V. 19, p. 423
28-4-531	Revoked	V. 19, p. 423
26-16-28b through 28-16-28f	Amended	V. 18, p. 1021-1033
28-19-50	Revoked	V. 18, p. 50
28-19-52	Revoked	V. 18, p. 50
28-19-201	Amended	V. 18, p. 106
28-19-650	New	V. 18, p. 50
28-19-720	Amended	V. 18, p. 782
28-19-729	New	V. 19, p. 565
28-19-729a through 28-19-729h	New	V. 19, p. 566-569
28-19-735	Amended	V. 18, p. 782
28-19-750	Amended	V. 18, p. 782
28-19-751	Revoked	V. 18, p. 1099
28-19-752	Revoked	V. 18, p. 1099
28-19-752a	New	V. 18, p. 1099

28-23-81 through 28-23-89	Revoked	V. 18, p. 1099
28-19-751	Revoked	V. 18, p. 1099
28-19-752	Revoked	V. 18, p. 1099
28-19-752a	New	V. 18, p. 1099
28-23-81 through 28-23-89	Revoked	V. 18, p. 1099
28-29-3	Amended	V. 18, p. 1345
28-29-17a	Revoked	V. 18, p. 1948
28-29-17b	Revoked	V. 18, p. 1949
28-29-25a	New	V. 18, p. 1346
28-29-25b	New	V. 18, p. 1347
28-29-25c	New	V. 18, p. 1348
28-29-25e	New	V. 18, p. 1350
28-29-25f	New	V. 18, p. 1351
28-29-26	Revoked	V. 18, p. 673
28-29-98	Revoked	V. 18, p. 1949
28-29-2101 through 28-29-2113	New	V. 18, p. 1949-1963
28-31-1	Amended	V. 18, p. 673
28-31-2	Amended	V. 18, p. 673
28-31-3	Amended	V. 18, p. 674
28-31-4	Amended	V. 18, p. 674
28-31-6	Amended	V. 18, p. 678
28-31-8	Amended	V. 18, p. 679
28-31-8b	Amended	V. 18, p. 680
28-31-9	Amended	V. 18, p. 680
28-31-10	Amended	V. 18, p. 681
28-31-12	Amended	V. 18, p. 681
28-31-13	Amended	V. 18, p. 682
28-31-14	Amended	V. 18, p. 682
28-31-15	New	V. 18, p. 682
28-31-16	New	V. 18, p. 682
28-36-10 through 28-36-18	Revoked	V. 18, p. 1099
28-36-20		
28-36-29	Revoked	V. 18, p. 1099, 1100
28-36-101 through 28-36-108	New	V. 18, p. 1100-1102
28-36-10 through 28-36-18	Revoked	V. 18, p. 1099
28-36-20 through 28-36-29	Revoked	V. 18, p. 1099, 1100
28-36-101 through 28-36-108	New	V. 18, p. 1100-1102
28-39-133	Revoked	V. 18, p. 1393
28-39-134 through 28-39-137	Revoked	V. 18, p. 1393
28-39-144	Amended	V. 18, p. 1393
28-39-145	Revoked	V. 18, p. 1395
28-39-145a	New	V. 18, p. 1395
28-39-152	Amended	V. 18, p. 1397
28-39-160	Amended	V. 18, p. 1399
28-39-161	Amended	V. 18, p. 1400
28-39-162a	Amended	V. 18, p. 1401
28-39-162c	Amended	V. 18, p. 1405
28-39-163	Amended	V. 18, p. 1410
28-39-240	Amended	V. 18, p. 1412
28-39-245	Amended	V. 18, p. 1413
28-39-247	Amended	V. 18, p. 1414
28-39-275 through 28-39-291	New	V. 18, p. 1416-1423
28-39-300 through 28-39-312	Revoked	V. 18, p. 1423
28-39-425 through 28-39-437	New	V. 18, p. 1423-1429
28-50-1	Amended	V. 18, p. 1353
28-50-2	Amended	V. 18, p. 1355
28-50-4	Amended	V. 18, p. 1356
28-50-5	Amended	V. 18, p. 1356
28-50-6	Amended	V. 18, p. 1356
28-50-7	Revoked	V. 18, p. 1358
28-50-8	Amended	V. 18, p. 1358
28-50-9	Amended	V. 18, p. 1359
28-50-10	Amended	V. 18, p. 1363

(continued)

28-50-14	Amended	V. 18, p. 1363
28-65-1	Amended	V. 18, p. 682
28-65-2	Amended	V. 18, p. 683
28-65-3	Amended	V. 18, p. 683
28-72-1	New (T)	V. 18, p. 1459
28-72-1	New	V. 18, p. 1888
28-72-2	New (T)	V. 18, p. 1462
28-72-2	New	V. 18, p. 1891
28-72-3	New (T)	V. 18, p. 1462
28-72-3	New	V. 18, p. 1891
28-72-4	New (T)	V. 18, p. 1463
28-72-4	New	V. 18, p. 1892
28-72-4a	New (T)	V. 18, p. 1466
28-72-4a	New	V. 18, p. 1895
28-72-4b	New (T)	V. 18, p. 1468
28-72-4b	New	V. 18, p. 1897
28-72-4c	New (T)	V. 18, p. 1470
28-72-4c	New	V. 18, p. 1898
28-72-5	New (T)	V. 18, p. 1471
28-72-5	New	V. 18, p. 1900
28-72-6	New (T)	V. 18, p. 1473
28-72-6	New	V. 18, p. 1902
28-72-7	New (T)	V. 18, p. 1475
28-72-7	New	V. 18, p. 1904
28-72-8	New (T)	V. 18, p. 1476
28-72-8	New	V. 18, p. 1905
28-72-9	New (T)	V. 18, p. 1478
28-72-9	New	V. 18, p. 1907
28-72-10	New (T)	V. 18, p. 1480
28-72-10	New	V. 18, p. 1909
28-72-11	New (T)	V. 18, p. 1481
28-72-11	New	V. 18, p. 1910
28-72-12	New (T)	V. 18, p. 1482
28-72-12	New	V. 18, p. 1911
28-72-13	New (T)	V. 18, p. 1483
28-72-13	New	V. 18, p. 1912
28-72-14	New (T)	V. 18, p. 1483
28-72-14	New	V. 18, p. 1912
28-72-15	New (T)	V. 18, p. 1484
28-72-15	New	V. 18, p. 1913
28-72-16	New (T)	V. 18, p. 1484
28-72-16	New	V. 18, p. 1913
28-72-17	New (T)	V. 18, p. 1485
28-72-17	New	V. 18, p. 1914
28-72-18	New (T)	V. 18, p. 1486
28-72-18	New	V. 18, p. 1915
28-72-18a	New (T)	V. 18, p. 1487
28-72-18a	New	V. 18, p. 1916
28-72-18b	New (T)	V. 18, p. 1487
28-72-18b	New	V. 18, p. 1916
28-72-18c	New (T)	V. 18, p. 1488
28-72-18c	New	V. 18, p. 1917
28-72-18d	New (T)	V. 18, p. 1489
28-72-18d	New	V. 18, p. 1918
28-72-18e	New (T)	V. 18, p. 1490
28-72-18e	New	V. 18, p. 1919
28-72-19	New (T)	V. 18, p. 1491
28-72-19	New	V. 18, p. 1920
28-72-20	New (T)	V. 18, p. 1491
28-72-20	New	V. 18, p. 1920
28-72-21	New (T)	V. 18, p. 1491
28-72-21	New	V. 18, p. 1920
28-72-22	New (T)	V. 18, p. 1491
28-72-22	New	V. 18, p. 1920

AGENCY 30: SOCIAL AND REHABILITATION SERVICES

Reg. No.	Action	Register
30-2-12	Amended	V. 18, p. 271
30-2-16	Amended	V. 18, p. 895
30-4-64	Amended	V. 18, p. 1722
30-6-39	Revoked	V. 18, p. 895
30-6-86	Amended	V. 18, p. 895
30-6-103	Amended	V. 18, p. 896
30-14-30	Amended	V. 18, p. 896
30-44-2	Amended	V. 18, p. 1843

AGENCY 36: DEPARTMENT OF TRANSPORTATION (BY DEPARTMENT OF EDUCATION)

Reg. No.	Action	Register
36-13-20	Revoked	V. 18, p. 1823
36-13-30	through	
36-13-35	Revoked	V. 18, p. 1823
36-13-37	Revoked	V. 18, p. 1823
36-13-38	Revoked	V. 18, p. 1823
36-13-39	Revoked	V. 18, p. 1823

AGENCY 40: KANSAS INSURANCE DEPARTMENT

Reg. No.	Action	Register
40-2-26	Amended	V. 18, p. 1058
40-3-33	Amended	V. 18, p. 1016
40-4-34	Amended	V. 18, p. 124
40-4-35	Amended (T)	V. 18, p. 358
40-4-35	Amended	V. 18, p. 1148
40-4-42	New	V. 18, p. 1883
40-4-42a	New	V. 18, p. 1883
40-4-42b	New	V. 18, p. 1884
40-4-42c	New	V. 18, p. 1884
40-4-42d	New	V. 18, p. 1885
40-4-42e	New	V. 18, p. 1886
40-4-42f	New	V. 18, p. 1887
40-4-42g	New	V. 18, p. 1887

AGENCY 44: DEPARTMENT OF CORRECTIONS

Reg. No.	Action	Register
44-1-103	Amended	V. 18, p. 390

AGENCY 48: KANSAS PAROLE BOARD

Reg. No.	Action	Register
45-9-1	Amended	V. 18, p. 1597
45-9-2	Amended	V. 18, p. 1597
45-9-3	Amended	V. 18, p. 1598
45-9-4	New (T)	V. 18, p. 1034
45-9-4	New	V. 18, p. 1599

AGENCY 49: DEPARTMENT OF HUMAN RESOURCES

Reg. No.	Action	Register
49-45-1	through	
49-45-4	Amended	V. 19, p. 504
49-45-4a	New	V. 19, p. 504
49-45-5	through	
49-45-9	Amended	V. 19, p. 504
49-45-20	through	
49-45-28	Amended	V. 19, p. 504, 505
49-45-29	through	
49-45-34	New	V. 19, p. 505
49-45a-1	Amended	V. 19, p. 505
49-45a-2	through	
49-45a-27	Revoked	V. 19, p. 506
49-46-1	Amended	V. 19, p. 506
49-47-1	Amended	V. 19, p. 507
49-47-1a	New	V. 19, p. 507
49-47-1b	New	V. 19, p. 507
49-47-2	Amended	V. 19, p. 507
49-48-1	Amended	V. 19, p. 508
49-49-1a	New	V. 19, p. 508
49-50-1	through	
49-50-4	Amended	V. 19, p. 509, 510
49-50-6	through	
49-50-15	Amended	V. 19, p. 510-513
49-50-17	through	
49-50-20	Amended	V. 19, p. 513, 514
49-50-21	New	V. 19, p. 514
49-50-22	New	V. 19, p. 515
49-51-1	Amended	V. 19, p. 515
49-51-2	Amended	V. 19, p. 515
49-51-3	Amended	V. 19, p. 515
49-51-3a	New	V. 19, p. 516
49-51-6	through	
49-51-12	Amended	V. 19, p. 516-518
49-51-14	Revoked	V. 19, p. 518
49-52-5	through	
49-52-9	Amended	V. 19, p. 518-520
49-52-11	Amended	V. 19, p. 520
49-52-13	Amended	V. 19, p. 520
49-52-14	Amended	V. 19, p. 521
49-52-15	Revoked	V. 19, p. 521
49-52-16	New	V. 19, p. 521
49-52-17	New	V. 19, p. 521
49-54-1	through	
49-54-3	Revoked	V. 19, p. 521

AGENCY 51: DEPARTMENT OF HUMAN RESOURCES—DIVISION OF WORKERS COMPENSATION

Reg. No.	Action	Register
51-9-7	Amended	V. 18, p. 1170

AGENCY 60: BOARD OF NURSING

Reg. No.	Action	Register
60-3-101	Amended	V. 18, p. 51
60-3-106	Amended	V. 18, p. 51
60-3-101	Amended	V. 19, p. 344
60-7-101	Amended	V. 18, p. 52
60-11-101	Amended	V. 19, p. 344
60-11-103	Amended	V. 19, p. 345
60-11-104a	Amended	V. 19, p. 346
60-11-106	Amended	V. 19, p. 346
60-11-108	Revoked	V. 19, p. 346
60-16-101	Amended	V. 18, p. 1558
60-16-102	Amended	V. 18, p. 1558
60-16-104	Amended	V. 18, p. 1559
60-17-101	through	
60-17-111	New	V. 19, p. 346-350

AGENCY 63: BOARD OF MORTUARY ARTS

63-4-1	Amended	V. 18, p. 1650
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AGENCY 65: BOARD OF EXAMINERS IN OPTOMETRY

Reg. No.	Action	Register
65-5-10	Amended	V. 18, p. 1727
65-9-1	Amended	V. 18, p. 357
65-10-2	Amended	V. 18, p. 357
65-11-3	Amended	V. 18, p. 357

AGENCY 66: BOARD OF TECHNICAL PROFESSIONS

Reg. No.	Action	Register
66-6-4	Amended	V. 19, p. 69
66-6-6	Amended	V. 19, p. 70
66-7-2	Amended	V. 19, p. 70
66-8-7	New	V. 19, p. 70
66-9-4	Amended	V. 19, p. 71
66-9-6	New	V. 19, p. 71
66-10-12	Amended	V. 19, p. 71
66-10-13	New	V. 19, p. 71
66-11-4	New	V. 19, p. 72
66-12-1	Amended	V. 19, p. 72
66-14-1	Amended	V. 19, p. 72
66-14-6	Amended	V. 19, p. 72

AGENCY 68: BOARD OF PHARMACY

Reg. No.	Action	Register
68-2-12a	Amended	V. 18, p. 1813
68-2-20	Amended	V. 18, p. 1813
68-2-22	Amended	V. 18, p. 1814
68-3-5	New	V. 18, p. 1309
68-3-6	New	V. 18, p. 1309
68-5-1	Amended	V. 19, p. 501
68-5-15	New	V. 18, p. 998
68-7-11	Amended	V. 19, p. 501
68-7-12	Amended	V. 18, p. 1815
68-7-14	Amended	V. 19, p. 502
68-7-18	Amended	V. 19, p. 503
68-7-19	Amended	V. 18, p. 994
68-11-1	Amended	V. 18, p. 81
68-14-1	Amended	V. 18, p. 1019
68-14-2	through	
68-14-5	Amended	V. 18, p. 996, 997
68-14-7	Amended	V. 18, p. 997
68-14-8	New	V. 18, p. 998
68-15-1	New	V. 18, p. 998
68-15-2	New	V. 18, p. 1309
68-15-4	New	V. 18, p. 1309
68-20-10	Amended	V. 18, p. 1816
68-20-10a	Amended	V. 18, p. 1819
68-20-15a	Amended	V. 18, p. 1819
68-20-16	Amended	V. 18, p. 1820
68-20-17	Amended	V. 18, p. 1820
68-20-18	Amended	V. 18, p. 1820
68-20-19	Amended	V. 18, p. 1821
68-20-21	Amended	V. 18, p. 1822

AGENCY 71: KANSAS DENTAL BOARD

Reg. No.	Action	Register
71-1-18	Amended	V. 18, p. 1844
71-1-20	New	V. 19, p. 573
71-1-21	New	V. 19, p. 573

71-3-7	New	V. 18, p. 104
71-6-1		
through		
71-6-6	New	V. 18, p. 104, 105
AGENCY 74: BOARD OF ACCOUNTANCY		
Reg. No.	Action	Register
74-4-10	Amended	V. 18, p. 1238
74-5-103	Amended	V. 18, p. 1238
74-5-104	Amended	V. 18, p. 1238
74-5-202	Amended	V. 18, p. 1239
74-5-203	Amended	V. 18, p. 1239
74-5-406	Amended	V. 18, p. 1240
74-11-6	Amended	V. 18, p. 1240
74-12-1	Amended	V. 18, p. 1721

AGENCY 80: KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Reg. No.	Action	Register
80-1-1	Amended	V. 18, p. 1230
80-1-2	Amended	V. 18, p. 1230
80-1-3	Amended	V. 18, p. 1230
80-1-4	Revoked	V. 18, p. 1230
80-1-5	Amended	V. 18, p. 1230
80-1-6	Amended	V. 18, p. 1231
80-1-9	Amended	V. 18, p. 1231
80-1-10	Amended	V. 18, p. 1231
80-1-11	Amended	V. 18, p. 1231
80-1-12	Revoked	V. 18, p. 1231
80-2-1	Amended	V. 18, p. 1231
80-3-1	Revoked	V. 18, p. 1232
80-3-2	Revoked	V. 18, p. 1232
80-3-4	Amended	V. 18, p. 1232
80-3-5	Revoked	V. 18, p. 1232
80-3-6	Revoked	V. 18, p. 1232
80-3-8	Revoked	V. 18, p. 1232
80-3-9	Amended	V. 18, p. 1232
80-3-13	Revoked	V. 18, p. 1232
80-3-15	Amended	V. 18, p. 1232
80-3-16	Amended	V. 18, p. 1232
80-4-1	Amended	V. 18, p. 1233
80-4-2	Revoked	V. 18, p. 1233
80-4-3	Revoked	V. 18, p. 1233
80-4-4	Amended	V. 18, p. 1233
80-4-5	Revoked	V. 18, p. 1233
80-4-6	Revoked	V. 18, p. 1233
80-5-1	Amended	V. 18, p. 1233
80-5-2	Revoked	V. 18, p. 1233
80-5-3	Revoked	V. 18, p. 1233
80-5-6	Amended	V. 18, p. 1233
80-5-7	Revoked	V. 18, p. 1234
80-5-9	Amended	V. 18, p. 1234
80-5-10	Amended	V. 18, p. 1234
80-5-11	Amended	V. 18, p. 1234
80-5-12	Revoked	V. 18, p. 1234
80-5-13	Amended	V. 18, p. 1234
80-5-14	Revoked	V. 18, p. 1234
80-5-15	Amended	V. 18, p. 1234
80-5-16	Amended	V. 18, p. 1235
80-5-18	Amended	V. 18, p. 1235
80-7-1	Amended	V. 18, p. 1235
80-8-2	Amended	V. 18, p. 1236
80-8-7	Amended	V. 18, p. 1236
80-50-1	Revoked	V. 18, p. 1236
80-50-2	Amended	V. 18, p. 1236
80-50-3	Amended	V. 18, p. 1236
80-50-4	Revoked	V. 18, p. 1236
80-50-5	Revoked	V. 18, p. 1236
80-50-6	Amended	V. 18, p. 1236
80-50-8	Revoked	V. 18, p. 1237
80-51-1	Revoked	V. 18, p. 1237
80-51-2	Revoked	V. 18, p. 1237
80-51-3	Revoked	V. 18, p. 1237
80-51-4	Amended	V. 18, p. 1237
80-51-5	Revoked	V. 18, p. 1237
80-51-7	Revoked	V. 18, p. 1237
80-52-1	Revoked	V. 18, p. 1237
80-52-2	Revoked	V. 18, p. 1237
80-52-3	Revoked	V. 18, p. 1237
80-53-2		
through		
80-53-6	Revoked	V. 18, p. 1237
80-54-1		
through		
80-54-4	Revoked	V. 18, p. 1237
80-55-1		
through		
80-55-4	Revoked	V. 18, p. 1237
80-55-8	Amended	V. 18, p. 1237

AGENCY 82: STATE CORPORATION COMMISSION

Reg. No.	Action	Register
82-1-221a	New	V. 18, p. 231
82-1-221b	New	V. 18, p. 232
82-1-228	Amended	V. 18, p. 232
82-1-235	Amended	V. 18, p. 233
82-3-101	Amended	V. 18, p. 273
82-3-401b	New	V. 18, p. 276
82-3-408	Amended	V. 18, p. 276
82-3-900		
through		
82-3-908	New	V. 18, p. 276, 277
82-4-3	Amended (T)	V. 19, p. 575
82-4-3	Amended	V. 19, p. 208
82-11-3	Amended	V. 18, p. 234
82-11-4	Amended	V. 18, p. 234
82-11-9	Amended	V. 18, p. 238
82-11-10	Amended	V. 18, p. 239
82-11-11	New	V. 18, p. 239
82-12-2	Amended	V. 18, p. 239

AGENCY 86: REAL ESTATE COMMISSION

Reg. No.	Action	Register
86-1-11	Amended	V. 18, p. 1291

AGENCY 88: BOARD OF REGENTS

Reg. No.	Action	Register
88-23-1		
through		
88-23-6	New	V. 19, p. 41-43

AGENCY 91: DEPARTMENT OF EDUCATION

Reg. No.	Action	Register
91-31-16	Amended	V. 18, p. 1171
91-31-18	Amended	V. 18, p. 1172
91-31-19	Amended	V. 18, p. 1309
91-31-24	Amended	V. 18, p. 1173
91-38-1		
through		
91-38-10	New	V. 18, p. 1823-1828

AGENCY 99: DEPARTMENT OF AGRICULTURE—DIVISION OF WEIGHTS AND MEASURES

Reg. No.	Action	Register
99-25-1	Amended	V. 18, p. 189

AGENCY 100: BOARD OF HEALING ARTS

Reg. No.	Action	Register
100-6-2	Amended (T)	V. 18, p. 1747
100-6-2	Amended	V. 19, p. 241
100-10a-1	Amended	V. 19, p. 241
100-10a-3	Amended	V. 19, p. 241
100-11-5	Revoked	V. 18, p. 1230
100-22-3	New	V. 19, p. 571
100-24-3	New	V. 18, p. 483
100-60-9	Amended	V. 19, p. 571
100-60-10	Amended	V. 19, p. 571
100-60-13	Amended	V. 19, p. 572

AGENCY 102: BEHAVIORAL SCIENCES REGULATORY BOARD

Reg. No.	Action	Register
102-4-10a	Amended (T)	V. 18, p. 1035
102-4-10a	Amended	V. 18, p. 1556
102-5-7a	Amended	V. 18, p. 1520

AGENCY 105: BOARD OF INDIGENTS' DEFENSE SERVICES

Reg. No.	Action	Register
105-1-1	Amended	V. 18, p. 1141
105-2-1	Amended	V. 18, p. 1142
105-3-1	Amended	V. 18, p. 1142
105-3-2	Amended	V. 18, p. 1142
105-3-4	Revoked	V. 18, p. 1143
105-3-5	Amended	V. 18, p. 1143
105-3-8	Revoked	V. 18, p. 1143
105-3-9	Amended	V. 18, p. 1143
105-3-11	Amended	V. 18, p. 1144
105-3-12	Amended	V. 18, p. 1144
105-5-2	Amended	V. 18, p. 1144
105-5-3	Amended	V. 18, p. 1144
105-5-6	Amended	V. 18, p. 1144
105-5-7	Amended	V. 18, p. 1145
105-5-8	Amended	V. 18, p. 1145
105-6-2	Amended	V. 18, p. 1145
105-7-2	Amended	V. 18, p. 1146

105-7-4		
through		
105-7-9	Amended	V. 18, p. 1146
105-8-1	Amended	V. 18, p. 1146
105-8-2	Amended	V. 18, p. 1146
105-8-3	Amended	V. 18, p. 1146
105-10-1a	Amended	V. 18, p. 1146
105-10-3	Amended	V. 18, p. 1147
105-10-5	Amended	V. 18, p. 1147
105-21-3	Amended	V. 18, p. 1147
105-21-6	Amended	V. 18, p. 1147
105-31-4	Revoked	V. 18, p. 1147

AGENCY 108: STATE EMPLOYEES HEALTH CARE COMMISSION

Reg. No.	Action	Register
108-1-3	New (T)	V. 18, p. 1392
108-1-3	New	V. 19, p. 68

AGENCY 109: BOARD OF EMERGENCY MEDICAL SERVICES

Reg. No.	Action	Register
109-1-1	Amended	V. 18, p. 1650
109-5-1	Amended	V. 18, p. 1653
109-5-2	Amended	V. 18, p. 1654
109-5-3	Amended	V. 18, p. 1654
109-5-4	Amended	V. 18, p. 1655
109-6-2	Amended	V. 18, p. 1655
109-9-1	Amended	V. 18, p. 1656
109-9-2	Revoked	V. 18, p. 1656
109-4-4	Amended	V. 18, p. 1656
109-9-5	Revoked	V. 18, p. 1657
109-10-1	Amended	V. 18, p. 1657
109-10-2	Amended	V. 18, p. 1658
109-10-6	New	V. 18, p. 1660
109-11-1	Amended	V. 18, p. 1662
109-11-2	Revoked	V. 18, p. 1662
109-11-3	Amended	V. 18, p. 1662
109-11-4	Amended	V. 18, p. 1663
109-11-5	Amended	V. 18, p. 1664
109-11-6	Amended	V. 18, p. 1664
109-12-1	Revoked	V. 18, p. 1665
109-12-2	Revoked	V. 18, p. 1665
109-13-1	Amended	V. 18, p. 1666
109-13-3	Revoked	V. 18, p. 1666

AGENCY 111: KANSAS LOTTERY

A complete index listing all regulations filed by the Kansas Lottery from 1988 through 1999 can be found in the Vol. 18, No. 52, December 30, 1999 Kansas Register. The regulations listed below were published after December 31, 1999.

Reg. No.	Action	Register
111-2-66	Revoked	V. 19, p. 14
111-2-84	Revoked	V. 19, p. 14
111-2-95	Amended	V. 19, p. 174
111-2-100	New	V. 19, p. 14
111-2-101	New	V. 19, p. 15
111-2-102	New	V. 19, p. 174
111-2-104	New	V. 19, p. 15
111-2-105	New	V. 19, p. 16
111-2-106	New	V. 19, p. 16
111-2-107	New	V. 19, p. 174
111-2-108	New	V. 19, p. 175
111-2-109	New	V. 19, p. 175
111-3-1	Amended	V. 19, p. 176
111-3-12	Amended	V. 19, p. 16
111-3-14	Amended	V. 19, p. 521
111-3-20	Amended	V. 19, p. 17
111-3-35	Amended	V. 19, p. 177
111-4-1594	Amended	V. 19, p. 17
111-4-1595	Amended	V. 19, p. 17
111-4-1597	Amended	V. 19, p. 18
111-4-1598	Amended	V. 19, p. 18
111-4-1621		
through		
111-4-1636	New	V. 19, p. 177-181
111-4-1617	Amended	V. 19, p. 19
111-4-1637		
through		
111-4-1649	New	V. 19, p. 19-22
111-4-1673		
through		
111-4-1698	New	V. 19, p. 522-528
111-5-30	Amended	V. 19, p. 529

(continued)

111-5-77	New	V. 19, p. 529
111-6-1	Amended	V. 19, p. 529
111-6-5	Amended	V. 19, p. 530
111-6-24	New	V. 19, p. 531
111-7-73	Amended	V. 19, p. 531
111-7-77	Amended	V. 19, p. 531
111-7-78	Amended	V. 19, p. 532
111-7-80	Amended	V. 19, p. 532
111-7-81	Amended	V. 19, p. 533
111-7-126	Amended	V. 19, p. 534

AGENCY 112: KANSAS RACING AND GAMING COMMISSION

Reg. No.	Action	Register
112-6-4a	New	V. 18, p. 1458
112-7-21	Amended	V. 19, p. 118
112-10-6	Amended	V. 18, p. 954
112-10-38	Amended	V. 19, p. 119
112-18-22	Amended	V. 19, p. 119

AGENCY 115: DEPARTMENT OF WILDLIFE AND PARKS

Reg. No.	Action	Register
115-2-1	Amended	V. 18, p. 1019
115-4-13	Amended	V. 18, P. 1020
115-5-2	Amended	V. 18, p. 1723
115-7-1	Amended	V. 18, p. 1334
115-7-5	Amended	V. 18, p. 1334
115-8-6	Amended	V. 18, p. 1724
115-11-2	Amended	V. 18, p. 484
115-15-1	Amended	V. 18, p. 1724
115-15-2	Amended	V. 18, p. 1725
115-16-4	Amended	V. 18, p. 780
115-17-21	New	V. 18, p. 781
115-18-4	Amended	V. 18, p. 1334
115-18-7	Amended	V. 18, p. 1335
115-18-13	Amended	V. 18, p. 1336
115-18-14	Amended	V. 18, p. 1336
115-18-16	New (T)	V. 19, p. 242
115-30-10	Amended	V. 18, p. 781

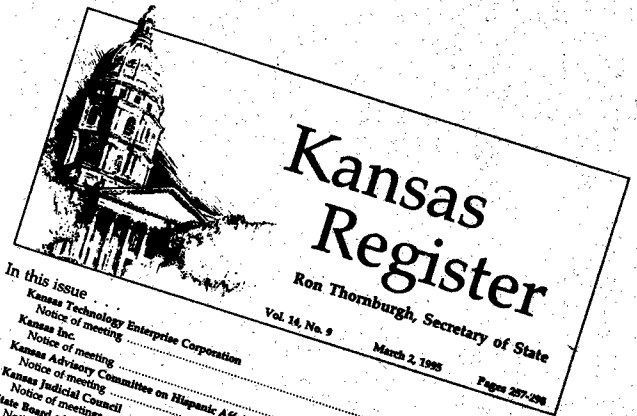
AGENCY 117: REAL ESTATE APPRAISAL BOARD

Reg. No.	Action	Register
117-2-1	Amended	V. 18, p. 294
117-2-2	Amended	V. 18, p. 295
117-3-1	Amended	V. 18, p. 296
117-3-2	Amended	V. 18, p. 296
117-4-1	Amended	V. 18, p. 297
117-4-2	Amended	V. 18, p. 298
117-6-1	Amended	V. 18, p. 955
117-6-3	Amended	V. 19, p. 472
117-7-1	Amended	V. 19, p. 41
117-8-1	Amended	V. 19, p. 473
117-9-1	Amended	V. 19, p. 41

AGENCY 118: KANSAS STATE HISTORICAL SOCIETY

Reg. No.	Action	Register
118-4-1 through 118-4-4	New	V. 18, p. 672, 673

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