



Kansas Register

Kris W. Kobach, Secretary of State

Vol. 32, No. 17

April 25, 2013

Pages 381-444

In this issue . . .	Page
Kansas State University	
Notice of intent to lease land.....	383
Kansas Board of Regents Universities	
Notice to bidders.....	383
Department of Administration—Procurement and Contracts	
Notice to bidders for state purchases.....	383
Kansas Department of Transportation	
Notice to contactors.....	384
Request for comments on the Statewide Transportation Improvement Program.....	385
Department for Children and Families	
Notice of hearing on the 2014-2016 State Plan for Independent Living.....	385
Request for comments on the FY 2014 Social Services Block Grant.....	386
City of Eureka	
Notice of intent to seek private placement of general obligation bonds.....	386
City of Udall	
Notice of intent to seek private placement of general obligation bonds.....	386
U.S.D. 339, Jefferson County	
Notice of intent to seek private placement of general obligation bonds.....	386
Notice of Bond Sale	
City of Hutchinson.....	386
U.S.D. 434, Osage County (Santa Fe Trail).....	387
Pooled Money Investment Board	
Notice of investment rates.....	388
Department of Health and Environment	
Notice concerning water pollution control permits/applications.....	388
Notice of hearing on proposed administrative regulations.....	392
Advisory Committee on Trauma	
Notice of meeting.....	393
Statewide Independent Living Council of Kansas, Inc.	
Notice of meeting.....	393
Kansas Department for Aging and Disability Services and Department of Health and Environment—Division of Health Care Finance	
Notice of proposed nursing facility Medicaid rates.....	393
Wildlife, Parks and Tourism Commission	
Notice of hearing on proposed administrative regulations.....	404
Kansas Department of Commerce	
Notice of hearing on proposed administrative regulations.....	406

(continued on next page)

Permanent Administrative Regulations

Department of Revenue—Division of Alcoholic Beverage Control.....	407
Department of Agriculture.....	408
Board of Nursing.....	411
Department of Health and Environment.....	415

New State Laws

House Substitute for Senate Bill 83 , concerning taxation.....	416
Senate Bill 111 , concerning native Americans.....	427
Senate Substitute for House Bill 2167 , concerning fireworks.....	427
Senate Bill 102 , enacting the second amendment protection act.....	428
Senate Bill 187 , concerning workers; relating to workers compensation.....	429

Index to administrative regulations.....	440
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State of Kansas

Kansas State University

Notice of Intent to Lease Land

Public notice is hereby given, pursuant to K.S.A. 75-430a(d), that Kansas State University intends to lease land for the purpose of constructing the Kansas Department of Agriculture building and parking lot. Kansas State University will lease the real property described as Tract A, Kansas State University Addition, an addition to the city of Manhattan located in Section 7, Township 10 South, Range 8 East of the 6th Principal Meridian, in the city of Manhattan, Riley County, Kansas, as set forth in Plat Book K, page 677, in the office of the register of deeds of Riley County, Kansas (consisting of approximately 0.835 acres), to KSU Real Estate Fund, LLC, for 25 years.

Specifications and further information are available by contacting Cindy Bontrager, Interim Vice President for Administration and Finance, Kansas State University, 105 Anderson Hall, Manhattan, 66506.

Carla K. Bishop
Director of Purchasing

Doc. No. 041488

State of Kansas

Board of Regents Universities

Notice to Bidders

The universities of the Kansas Board of Regents encourage interested vendors to visit the various universities' purchasing offices' websites for a listing of all transactions, including construction projects, for which the universities' purchasing offices, or one of the consortia commonly utilized by the universities, are seeking information, competitive bids or proposals. The referenced construction projects may include project delivery construction procurement act projects pursuant to K.S.A. 76-7,125 et seq.

Emporia State University – Bid postings: www.emporia.edu/busaff/. Additional contact info: phone: 620-341-5145, fax: 620-341-5073, email: thouse@emporia.edu. Mailing address: Emporia State University, Controller's Office/Purchasing, Campus Box 4021, 1200 Commercial, Emporia, KS 66801.

Fort Hays State University – Bid postings: www.fhsu.edu/purchasing/bids. Additional contact info: phone: 785-628-4251, fax: 785-628-4046, email: purchasing@fhsu.edu. Mailing address: Fort Hays State Purchasing Office, 601 Park St., 318 Sheridan Hall, Hays, KS 67601.

Kansas State University – Bid postings: www.k-state.edu/purchasing/rfq. Additional contact info: phone: 785-532-6214, fax: 785-532-5577, email: kspurch@k-state.edu. Mailing address: Division of Financial Services/Purchasing, 21 Anderson Hall, Kansas State University, Manhattan, KS 66506.

Pittsburg State University – Bid postings: www.pittstate.edu/office/purchasing. Additional contact info: phone: 620-235-4169, fax: 620-235-4166, email: jensch@pittstate.edu. Mailing address: Pittsburg State University, Purchasing Office, 1701 S. Broadway, Pittsburg, KS 66762-7549.

University of Kansas – Electronic bid postings: <http://www.purchasing.ku.edu/>. Paper bid postings and mailing address: KU Purchasing Services, 1246 W. Campus Road, Room

30, Lawrence, KS 66045. Additional contact info: phone: 785-864-5800, fax: 785-864-3454, email: purchasing@ku.edu.

University of Kansas Medical Center – Bid postings: <http://www2.kumc.edu/finance/purchasing/bids.html>. Additional contact info: phone: 913-588-1100, fax: 913-588-1102. Mailing address: University of Kansas Medical Center, Purchasing Department, Mail Stop 2034, 3901 Rainbow Blvd., Kansas City, KS 66160.

Wichita State University – Bid postings: www.wichita.edu/purchasing. Additional contact info: phone: 316-978-3080, fax: 316-978-3528. Mailing address: Wichita State University, Office of Purchasing, 1845 Fairmount Ave., Campus Box 12, Wichita, KS 67260-0012.

Jim Hughes
Chair of Regents Purchasing Group
Director of Purchasing
Pittsburg State University

Doc. No. 040656

State of Kansas

**Department of Administration
Procurement and Contracts**

Notice to Bidders

Sealed bids for items listed will be received by the director of Procurement and Contracts until 2 p.m. on the date indicated. For more information call 785-296-2376:

- 05/07/2013 EVT0002255 Rock Handling & Moving Services at Milford Wildlife Area
- 05/07/2013 EVT0002296 Automotive Lubricants
- 05/08/2013 EVT0002282 Bituminous Paving Overlay
- 05/13/2013 EVT0002233 Fire Sprinkler and Pipe Inspection
- 05/14/2013 EVT0002241 On-call Tower Maintenance Services
- 05/14/2013 EVT0002273 Equus Beds Groundwater Analysis
- 05/15/2013 EVT0002252 Actuarial Services — Property and Casualty
- 05/15/2013 EVT0002276 Vending Machine Repair Service
- 05/31/2013 EVT0002278 Third Party Administrator — Workers Comp Claims
- 06/07/2013 EVT0002257 HIDTA Deputy Director
- 06/28/2013 EVT0002279 Health Care Services

The above-referenced bid documents can be downloaded at the following website:

<http://www.da.ks.gov/purch/contracts/bids.aspx>

Additional files may be located at the following website (please monitor this website on a regular basis for any changes/addenda):

<http://da.ks.gov/purch/adds/default.htm>

- 05/06/2013 A-012238 Roof Replacement — Roth Admin. Bldg. — Kansas State School for the Deaf, Olathe

Information regarding pre qualification, projects and bid documents can be obtained at 785-296-8899 or <http://da.ks.gov/fp/>.

Tracy T. Diel, Director
Procurement and Contracts

Doc. No. 041507

State of Kansas

Department of Transportation

Notice to Contractors

Electronic copies of the letting proposals and plans are available on the KDOT website at <http://www.ksdot.org/burconsmain/contracts/proposal.asp>. The website will allow the contractor to request approval from KDOT to bid as a prime contractor and be included on the "Bid Holders List" or to be included on the "Non-Bid Holders List" as a subcontractor/supplier. KDOT's approval is required to bid as a prime contractor. To bid as a prime contractor, KDOT needs to be notified of the intent to bid not later than the close of business on the Monday preceding the scheduled letting date. Failure to obtain prior approval to bid as a prime contractor on any projects listed below will be reason to reject a bid. The secretary of transportation reserves the right to reject bids that do not comply with all requirements for preparing a bidding proposal as specified in the 2007 edition of the Kansas Department of Transportation Standard Specifications for State Road and Bridge Construction.

Sealed proposals for the construction of road and bridge work in the following Kansas counties will be received at the Bureau of Construction and Maintenance, Eisenhower State Office Building, 700 S.W. Harrison, Topeka, until 1 p.m. May 22 and then will be publicly opened and read at 1:30 p.m.:

District One — Northeast

Riley—81 C-0314-01 — County road, replace guard fences and bridge rails in Riley County, guard fence, 0.5 mile. (Federal Funds)

Leavenworth—52 C-0327-01 — 178th Street, 2.8 miles west and 0.4 mile south of Basehor over Hog Creek, bridge replacement, 0.0 mile. (Federal Funds)

Johnson—35-46 KA-1002-07 — I-35 from 119th Street north to I-435/I-35/K-10 interchange, seeding/sodding, 2.2 miles. (Federal Funds)

Wyandotte—70-105 KA-1003-05 — I-70/K-7 interchange in Wyandotte County, grading, bridge and surfacing, 1.5 miles. (Federal Funds)

Wyandotte—435-105 KA-2831-01 — High mast weathering steel poles on I-435, lighting, 0.5 mile. (Federal Funds)

Wyandotte—435-105 KA-3260-01 — I-435 north of I-435/Donahoo Road between mile marker 16.5 and mile marker 17.2, pipe lining, 0.0 mile. (State Funds)

Wyandotte—70-105 KA-3282-01 — I-70 from the I-70/78th Street junction east to the quarry road bridge (#158) and from I-70/10th St., east to the I-70/I-670 split, 3-inch overlay, 4.1 miles. (State Funds)

Johnson—169-46 KA-3290-01 — U.S. 169, from I-35 south to 175th Street, pavement marking, 3.2 miles. (Federal Funds)

Wyandotte—105 N-0556-01 — North 55th Street replacement of two bridges, grading, bridge and surfacing, 1.3 miles. (Federal Funds)

District Two — North Central

Jewell—28-45 KA-0022-01 — K-28, Buffalo Creek drainage bridge about 2.5 miles west of the Jewell/Cloud county line, bridge replacement, 0.0 mile. (Federal Funds)

Saline—143-85 KA-0036-01 — K-143, Mulberry Creek drainage bridge about 0.5 mile north of the U.S. 40/K-143 junction, bridge replacement, 0.0 mile. (Federal Funds)

Saline—70-85 KA-1893-01 — I-70 — Ellsworth, Lincoln, Saline, Dickinson and Geary counties, signing, 117.0 miles. (Federal Funds)

Geary—77-31 KA-2776-01 — Bridge #044 on U.S. 77 in Geary County located 3.77 miles north of north K-57 junction, bridge overlay, 0.0 mile. (State Funds)

Washington—9-101 KA-2808-01 — K-9 bridges: #039 — 2.87 miles east of the Cloud County line (Scribner Creek); #042 — 0.55 mile east of the Cloud County line (Dry Creek), bridge overlay, 0.0 mile. (State Funds)

Saline—70-85 KA-3201-01 — I-70 near Brookville Road/I-70 (Exit #238), install embankment drainage system, 0.0 mile. (State Funds)

Cloud—81-15 KA-3283-01 — U.S. 81 from Concordia north to the Cloud/Republic county line, pavement marking, 4.4 miles. (Federal Funds)

Republic—81-79 KA-3284-01 — U.S. 81 from the Cloud/Republic county line to the Kansas/Nebraska state line, pavement marking, 27.2 miles. (Federal Funds)

District Three — Northwest

Ellis—255-26 KA-3285-01 — K-255, from the north city limits of Victoria north to the end of K-255, conventional seal, 1.2 miles. (State Funds)

Rooks—183-82 KA-3286-01 — U.S. 183, from the end of the PCCP north of the U.S. 24/U.S. 183 junction, to the Phillips/Rooks county line, conventional seal, 8.5 miles. (State Funds)

Phillips—36-74 KA-3287-01 — U.S. 36, from the Norton/Phillips county line east to the west city limits of Phillipsburg, conventional seal, 17.1 miles. (State Funds)

Thomas—83-97 KA-3288-01 — U.S. 83, from the U.S. 24/U.S. 83 junction north to the Thomas/Sheridan county line, conventional seal, 11.5 miles. (State Funds)

Logan—25-55 KA-3289-01 — K-25, from mile marker 145.8 east to the north city limits of Russell Springs, conventional seal, 11.4 miles. (State Funds)

District Four — Southeast

Labette—59-50 KA-2811-01 — U.S. 59 culvert located 4.35 miles east of U.S. 59/U.S. 160, culvert repair, 0.0 mile. (State Funds)

Labette—400-50 KA-3134-01 — U.S. 400, bridge #065 (Neosho River) located 8.26 miles east of U.S. 400/U.S. 59 junction, bridge repair, 0.0 mile. (State Funds)

District Five — South Central

Sedgwick—87 C-0293-01 — County road, 3.3 miles east and 1.0 mile south of Clearwater over tributary to Ninnescah River, grading, bridge and surfacing, 0.1 mile. (Federal Funds)

Sedgwick—87 C-0409-01 — 239th Street West between K-42 and 103rd Street South, grading, bridge and surfacing, 0.2 mile. (Federal Funds)

Barton—5 C-4198-01 — County road, 0.3 mile south and 1.5 miles east of Great Bend, grading and bridge, 0.2 mile. (Federal Funds)

Sedgwick—135-87 KA-2804-01 — I-135 bridges: #339, located 0.58 mile north of U.S. 54; #341, located 0.89 mile

north of U.S. 54; #349, 1.99 miles north of U.S. 54, bridge repair, 0.0 mile. (State Funds)

District Six — Southwest

Seward—54-88 K-9809-01 — U.S. 54, north and north-east legs of the U.S. 54/U.S. 83/2nd Street/Bluebell junction, grading and surfacing, 0.2 mile. (State Funds)

Gray—50-35 KA-0423-03 — U.S. 50, intersection of U.S. 50/RS-286/RS-1452 at Ingalls, grading and surfacing, 0.3 mile. (State Funds)

Hodgeman—156-42 KA-3291-01 — K-156, from the Finney/Hodgeman county line east to 0.5 mile east of U.S. 283, conventional seal, 19.5 miles. (State Funds)

Each bidder shall certify that such person, firm, association or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the submitted bid. This certification shall be in the form of a required contract provision provided by the state to each prospective bidder. Failure to complete the required contract provision and certify the completeness of the preceding statement when signing the proposal will make the bid nonresponsive and not eligible for award consideration.

Mike King
Secretary of Transportation

Doc. No. 041489

State of Kansas

**Department for Children and Families
Kansas Rehabilitation Services**

Notice of Hearing

The Statewide Independent Living Council of Kansas (SILCK) and Kansas Rehabilitation Services (RS) invite individuals and organizations interested in independent living services for people with disabilities to participate in a statewide public hearing from 2 to 4 p.m. Wednesday, May 29. The hearing will provide an opportunity for persons with disabilities, advocates and stakeholders to offer input on its 2014-2016 State Plan for Independent Living. The meeting will be an interactive webcast facilitated by Michael Donnelly, RS director, and Lou Ann Kibbee, SILCK board chair.

Participants will have the opportunity to provide input on a variety of issues including:

- Priorities for use of federal independent living funds
- Identification of unmet independent living service needs
- Other priorities for the independent living community

Input received will be used to generate the State Plan for Independent Living for the years 2014-2016 and to establish priorities for use of available funds.

The interactive webcast will use technology to connect people in six Kansas communities through a live audio and video broadcast. In addition, participants in each location will be able to share their comments or questions, which will be broadcast live to all locations.

The locations for the interactive webcast are as follows:

Garden City
Bunker Conference Room
DCF Service Center
1710 Palace Drive

Hays
Grey Room
DCF Service Center
3000 Broadway

Kansas City
South East Conference Room North 1050
DCF Service Center
402 State Ave.

Parsons
Large Conference Room
DCF Service Center
300 N. 17th

Topeka
Room C
DCF Learning Center
2nd and MacVicar

Wichita
Conference Room 5082
DCF Service Center
Finney State Office Building
230 E. William

Those who wish to submit comments in writing may email maia.rubyclemmons@dcf.ks.gov.

To request a sign language interpreter or other accommodation, call toll-free TDD 866-213-9079 not later than May 15. All meeting sites are accessible locations.

Michael Donnelly, Director
Kansas Rehabilitation Services

Doc. No. 041502

State of Kansas

Department of Transportation

Request for Comments

The Kansas Department of Transportation requests comments on the amendment of the Statewide Transportation Improvement Program (STIP) FY 13-16. The comprehensive list of projects being amended to the STIP may be viewed online at www.ksdot.org/publications.asp. This list includes projects for counties and cities and for projects on the state highway system.

The amendment of the STIP requires a public comment period of 14 days. To make comments on this STIP amendment contact the Kansas Department of Transportation, Bureau of Program and Project Management, 2nd Floor Tower, Eisenhower State Office Building, 700 S.W. Harrison, Topeka, 66603-3754, 785-296-3526, fax 785-296-8168.

This information is available in alternative accessible formats. To obtain an alternative format contact the KDOT Bureau of Transportation Information at 785-296-3585 (voice/hearing impaired — 711).

The comment period regarding the STIP amendment for these projects will conclude May 8.

Mike King
Secretary of Transportation

Doc. No. 041487

State of Kansas

Department for Children and Families

Request for Comments

The Department for Children and Families (DCF) will be accepting public comments on the state fiscal 2014 Social Services Block Grant. A copy of the plan, paper or electronic, may be obtained by contacting Melanie Dixon at 785-296-6216, by email at Melanie.Dixon@dcf.ks.gov, or under the Quick Links — Newsroom area of the following website: http://www.dcf.ks.gov/Newsroom. Comments must be submitted in writing and received by DCF by May 22.

Phyllis Gilmore
Secretary for Children and Families

Doc. No. 041498

(Published in the Kansas Register April 25, 2013.)

City of Eureka, Kansas

Notice of Intent to Seek Private Placement
General Obligation Bonds, Series 2013-1

Notice is hereby given that the city of Eureka, Kansas (the issuer), proposes to seek a private placement of the above-referenced bonds. The maximum aggregate principal amount of the bonds shall not exceed \$325,000. The proposed sale of the bonds is in all respects subject to approval of a bond purchase agreement between the issuer and the purchaser of the bonds and the passage of an ordinance and adoption of a resolution by the governing body of the issuer authorizing the issuance of the bonds and the execution of various documents necessary to deliver the bonds.

Dated April 22, 2013.

Renee Burk
City Clerk

Doc. No. 041501

(Published in the Kansas Register April 25, 2013.)

City of Udall, Kansas

Notice of Intent to Seek Private Placement
General Obligation Bonds, Series 2013

Notice is hereby given that the city of Udall, Kansas (the issuer), proposes to seek a private placement of the above-referenced bonds. The maximum aggregate principal amount of the bonds shall not exceed \$1,290,000. The proposed sale of the bonds is in all respects subject to approval of a bond purchase agreement between the issuer and the purchaser of the bonds and the passage of an ordinance and adoption of a resolution by the governing body of the issuer authorizing the issuance of the bonds and the execution of various documents necessary to deliver the bonds.

Dated April 16, 2013.

Lulita Hopkins
City Clerk

Doc. No. 041497

(Published in the Kansas Register April 25, 2013.)

Unified School District No. 339

Jefferson County, Kansas

Notice of Intent to Seek Private Placement
General Obligation Bonds, Series 2013

Notice is hereby given that the Board of Education of Unified School District No. 339, Jefferson County, Kansas, intends to seek a private placement of the above-referenced bonds. The maximum aggregate principal amount of bonds shall not exceed \$2,000,000. The proposed sale of the bonds is in all respects subject to the board passing and approving a resolution authorizing the issuance, sale and delivery of the bonds, the execution and delivery of a bond purchase agreement relating to the bonds and execution and delivery of all other documents necessary to deliver the bonds and receive payment therefore.

Dated April 18, 2013.

Susan Coppinger, Clerk
Unified School District No. 339
Jefferson County, Kansas
310 5th St.
Winchester, KS 66097

Doc. No. 041509

(Published in the Kansas Register April 25, 2013.)

Summary Notice of Sale
City of Hutchinson, Kansas
\$4,685,000*

General Obligation Bonds, Series 2013A

(General obligation bonds payable
from unlimited ad valorem taxes)

Bids

Subject to the Notice of Sale dated April 25, 2013, bids will be received by the finance director of the city of Hutchinson, Kansas, on behalf of the governing body at City Hall, 125 E. Ave. B, Hutchinson, KS 67501, or, in the case of electronic proposals, via PARITY electronic bid submission system, until 10 a.m. C.D.T. May 6, 2013, for the purchase of \$4,685,000* principal amount of General Obligation Bonds, Series 2013A. No bid of less than the 100.0 percent of the par value of the bonds, plus 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 29, 2013 (the dated date), and will become due on October 1 in the years as follows:

Table with 2 columns: Year, Principal Amount*. Rows include years 2014 through 2021 with corresponding principal amounts ranging from \$105,000 to \$325,000.

2022	330,000
2023	340,000
2024	345,000
2025	135,000
2026	135,000
2027	140,000
2028	150,000
2029	155,000
2030	160,000
2031	160,000
2032	165,000
2033	165,000

The bonds will bear interest from the dated date at rates to be determined when the bonds are sold as provided in the Notice of Sale, which interest will be payable semi-annually on April 1 and October 1 in each year, beginning April 1, 2014. A bidder may elect to have all or a portion of the bonds scheduled to mature in consecutive years issued as term bonds subject to the requirements set forth in the Notice of Sale.

Paying Agent and Bond Registrar

Kansas State Treasurer, Topeka, Kansas.

Good Faith Deposit

The bidder for the bonds shall provide the city with a cashier's or certified check drawn on a bank located in the United States, a financial surety bond in a form that complies with the requirements set forth in the Notice of Sale or the wire transfer of same-day funds in accordance with the requirements set forth in the Notice of Sale in the amount of \$93,700 (2 percent of the principal amount of the bonds).

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 29, 2013, 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 2012 is \$308,638,569. The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$40,630,000. General obligation temporary notes in the principal amount of \$2,735,000 will be redeemed with a portion of the proceeds of the bonds and other available funds.

Approval of Bonds

The bonds will be sold subject to the legal opinion of Kutak Rock LLP, Kansas City, Missouri, 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 financial adviser, Piper Jaffray & Co., 11150 Overbrook Road, Suite 310, Leawood, KS 66211, Attention: Greg Vahrenberg, 913-345-3374; the finance director, Frank Edwards; or from bond counsel, Kutak Rock

LLP, 1010 Grand Blvd., Suite 500, Kansas City, MO 64106-2220, 816-960-0090, Attention: Dorothea Riley.

Dated April 18, 2013.

City of Hutchinson, Kansas
 By Frank Edwards, Finance Director
 Hutchinson City Hall
 125 E. Ave. B
 Hutchinson, KS 67501
 620-694-2613

***Subject to change.**

Doc. No. 041506

(Published in the Kansas Register April 25, 2013.)

**Summary Notice of Bond Sale
 Unified School District No. 434
 Osage County, Kansas (Santa Fe Trail)
 \$4,600,000**

**General Obligation School Building Bonds, Series 2013
 (General obligation bonds payable
 from unlimited ad valorem taxes)**

Bids

Subject to the Notice of Bond Sale dated April 10, 2013, written and electronic bids will be received on behalf of the clerk of Unified School District No. 434, Osage County, Kansas (Santa Fe Trail) (the issuer), in the case of written bids, at the address set forth below, and in the case of electronic bids, through PARITY, until 11 a.m. C.D.T. on May 8, 2013, for the purchase of the above-referenced bonds. 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, 2013, and will become due on September 1 in the years as follows:

Year	Principal Amount
2015	\$270,000
2016	280,000
2017	285,000
2018	295,000
2019	305,000
2020	310,000
2021	320,000
2022	330,000
2023	340,000
2024	350,000
2025	360,000
2026	375,000
2027	385,000
2028	395,000

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 semi-annually on March 1 and September 1 in each year, beginning March 1, 2014.

(continued)

Book-Entry-Only System

The bonds shall be 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, a qualified financial surety bond or a wire transfer in Federal Reserve funds immediately available for use by the issuer in the amount of \$92,000.

Delivery

The issuer 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 30, 2013, to 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 2012 is \$52,265,519. The total general obligation indebtedness of the issuer as of the dated date, including the bonds being sold, is \$5,300,000.

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 undersigned, or from the financial adviser, at the addresses set forth below.

Written Bid and Good Faith Deposit**Delivery Address:**

Amy Hill, Clerk
Office of the Board of Education
1663 E. U.S. Highway 56
Carbondale, KS 66414-9178
785-665-7168
Fax: 785-665-7164
ahill@usd434.us

Financial Adviser - Facsimile Bid and Good Faith**Deposit Delivery Address:**

George K. Baum & Company
100 N. Main, Suite 810
Wichita, KS 67202
Attn: Stephen E. Shogren
316-264-9351
Fax: 316-264-9370
shogren@gkbaum.com

Dated April 10, 2013.

Unified School District No. 434
Osage County, Kansas
(Santa Fe Trail)

Doc. No. 041505

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. 2012 Supp. 12-1675(b)(c)(d) and K.S.A. 2012 Supp. 12-1675a(g).

Effective 4-22-13 through 4-28-13

Term	Rate
1-89 days	0.15%
3 months	0.04%
6 months	0.08%
1 year	0.13%
18 months	0.19%
2 years	0.24%

Scott Miller
Director of Investments

Doc. No. 041483

State of Kansas**Department of Health
and Environment****Notice Concerning Kansas/Federal Water
Pollution Control Permits and Applications**

In accordance with Kansas Administrative Regulations 28-16-57 through 63, 28-18-1 through 17, 28-18a-1 through 33, 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, various draft water pollution control documents (permits, notices to revoke and reissue, notices to terminate) have been prepared and/or permit applications have been received for discharges to waters of the United States and the state of Kansas for the class of discharges described below.

The proposed actions concerning the draft documents are based on staff review, applying the appropriate standards, regulations and effluent limitations of the state of Kansas and the Environmental Protection Agency. The final action will result in a Federal National Pollutant Discharge Elimination System Authorization and/or a Kansas Water Pollution Control permit being issued, subject to certain conditions, revocation and reissuance of the designated permit or termination of the designated permit.

Public Notice No. KS-AG-13-094/099**Pending Permits for Confined Feeding Facilities**

Name and Address of Applicant	Legal Description	Receiving Water
Alex Unruh Chisholm Feeders 1767 K-15 Highway Lehigh, KS 67063	NE/4 of Section 08, T20S, R01E, Marion County	Neosho River Basin

Kansas Permit No. A-NEMN-B031

This is a permit modification and reissuance for an existing livestock facility with the maximum capacity of 499 head (499 animal units) of cattle weighing greater than 700 pounds and 500 head (250 animal units) of cattle weighing 700 pounds or less, for a total of 749 animal units of cattle. The waste management system includes a sediment

basin and three earthen retention control structures. A portion of the pens at the facility are operated as nonconfinement areas that maintain permanent vegetation.

Name and Address of Applicant	Legal Description	Receiving Water
Steven Bagley Sunbelt Feed Yard P.O. Box 38 Hugoton, KS 67951	All of Section 24, T32S, R37W, Stevens County	Cimarron River Basin

Kansas Permit No. A-CISV-C002 Federal Permit No. KS0116203
This is a permit modification and reissuance for an existing livestock facility with the proposed maximum capacity of 32,500 head (32,500 animal units) of cattle weighing greater than 700 pounds and 15 head (30 animal units) of horses. The facility is proposing to increase the maximum capacity of the facility by 2,500 head of cattle by making operational changes to existing pen capacity. No additional pens are proposed. Also proposed is the construction of a concrete wash station. This facility has an approved Nutrient Management Plan on file with KDHE.

Name and Address of Applicant	Legal Description	Receiving Water
Brian Keith Keith Cattle Company 3505 Road L Allen, KS 66833	SE/4 of Section 10, T16S, R11E, Lyon County	Marais des Cygnes River Basin

Kansas Permit No. A-MCLY-C005 Federal Permit No. KS0097144
This is a permit modification and reissuance for an existing facility with the maximum capacity of 3,000 head (1,500 animal units) of cattle weighing 700 pounds or less and 6 head (12 animal units) of horses. The facility consists of approximately 15 acres of open lot pens, 0.5 acre of feed storage area, 0.3 acre of mortality composting area and 18.5 acres of associated feedlot areas. The waste management system includes three sediment basins and three earthen retention control structures. The permit is being modified to include required operating levels for the two retention control structures serving the feed storage area. This facility has an approved Nutrient Management Plan on file with KDHE.

Name and Address of Applicant	Legal Description	Receiving Water
Theodore R. Setzkorn 14290 S.W. 208 Road Jetmore, KS 67854	NE/4 of Section 10, T25S, R25W, Ford County	Upper Arkansas River Basin

Kansas Permit No. A-UAFO-B009
This permit is being reissued for an existing facility for 900 head (450 animal units) of cattle weighing less than 700 pounds. There is no change in the permitted animal units from the previous permit.

Name and Address of Applicant	Legal Description	Receiving Water
Doug Neis 251 E. 2200 Road Wellsville, KS 66092	NE/4 of Section 05, T15S, R21E, Douglas County	Kansas River Basin

Kansas Permit No. A-KSDG-M006
This permit is being reissued for an existing facility with a maximum capacity of 50 head (70 animal units) of mature dairy cattle, 50 head (25 animal units) of dairy calves and 3 head (3 animal units) of dairy bulls, for a total of 98 animal units. There is no change in the permitted animal units.

Name and Address of Applicant	Legal Description	Receiving Water
Raymond Larson Larson Farm L.L.C. 17770 Mayday Road Green, KS 67447	NE/4 of Section 31, T06S, R05E, Riley County	Big Blue River Basin

Kansas Permit No. A-BBRL-B002
This permit is being reissued for an existing facility with a maximum capacity of 900 head (900 animal units) of cattle more than 700 pounds. There is no change in the permitted animal units.

below are pursuant to the Kansas Surface Water Quality Standards, K.A.R. 28-16-28 (b-g), and Federal Surface Water Criteria:

Name and Address of Applicant	Receiving Stream	Type of Discharge
Altamont, City of P.O. Box 305 Altamont, KS 67330	Deer Creek via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE01-OO01 Federal Permit No. KS0045918
Legal Description: W½, SW¼, SE¼, S11, T33S, R19E, Labette County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Bartlett, City of P.O. Box 4652 Bartlett, KS 67332	Lake Creek via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE04-OO01 Federal Permit No. KS0080900
Legal Description: NE¼, NE¼, NE¼, S28, T34S, R20E, Labette County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Bern, City of P.O. Box 99 Bern, KS 66408	Fourmile Creek (Nebraska) via Unnamed Stream (KS/NE line) via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-MO02-OO01 Federal Permit No. KS0047244
Legal Description: SE¼, NW¼, NW¼, S16, T1S, R13E, Nemaha County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Cherokee, City of P.O. Box 201 Cherokee, KS 66724	Limestone Creek via Wolf Creek via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE12-OO01 Federal Permit No. KS0081230
Legal Description: SE¼, SW¼, S13, T31S, R23E, Crawford County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Chetopa, City of P.O. Box 203 Chetopa, KS 67336	Neosho River via Town Creek	Treated Domestic Wastewater

Kansas Permit No. M-NE13-OO01 Federal Permit No. KS0031135
Legal Description: E½, NW¼, NW¼, S2, T35S, R21E, Labette County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Dwight, City of P.O. Box 157 Dwight, KS 66849	Laird's Creek via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE20-OO01 Federal Permit No. KS0051675
Legal Description: S½, NW¼, NE¼, S13, T14S, R7E, Morris County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Erie, City of 101 N. Main Erie, KS 66733	Neosho River via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE25-OO01 Federal Permit No. KS0045977
Legal Description: E½, NE¼, S5, T29S, R20E, Neosho County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Girard, City of 120 N. Ozark St. Girard, KS 66743	Lightning Creek via Thunderbolt Creek	Treated Domestic Wastewater

Kansas Permit No. M-NE31-OO01 Federal Permit No. KS0022551
Legal Description: SW¼, SE¼, S23, T29S, R23E, Crawford County, KS

(continued)

Public Notice No. KS-Q-13-051/076

The requirements of the draft permits public noticed

Name and Address of Applicant
Hepler, City of
P.O. Box 75
Hepler, KS 66746

Receiving Stream
Walnut Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE34-OO01 Federal Permit No. KS0028533
Legal Description: NE $\frac{1}{4}$, SE $\frac{1}{4}$, NE $\frac{1}{4}$, S35, T27S, R22E, Crawford County, KS

Name and Address of Applicant
Highland, City of
P.O. Box 387
Highland, KS 66035

Receiving Stream
Missouri River via
Mission Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-MO09-OO01 Federal Permit No. KS0047457
Legal Description: SW $\frac{1}{4}$, NE $\frac{1}{4}$, S23 & SW $\frac{1}{4}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$, S23, T2S, R19E, Doniphan County, KS

Name and Address of Applicant
Kansas Turnpike Authority
9401 E. Kellogg
Wichita, KS 67207

Receiving Stream
Dow Creek via
Stillman Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. C-NE24-OO02 Federal Permit No. KS0053678
Legal Description: NW $\frac{1}{4}$, SE $\frac{1}{4}$, NW $\frac{1}{4}$, S22, T18S, R11E, Lyon County, KS

Facility Name: KTA — Emporia Service Area

Name and Address of Applicant
Kansas Turnpike Authority
9401 E. Kellogg
Wichita, KS 67207

Receiving Stream
Mercer Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. C-NE46-OO01 Federal Permit No. KS0053660
Legal Description: SE $\frac{1}{4}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$, S31, T22S, R8E, Chase County, KS

Facility Name: KTA — Matfield Green Service Area

Facility Location: Milepost 97, Kansas Turnpike

Name and Address of Applicant
Neosho Rapids, City of
P.O. Box 7
Neosho Rapids, KS 66864

Receiving Stream
Neosho River via
Plum Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE50-OO01 Federal Permit No. KS0117021
Legal Description: NE $\frac{1}{4}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$, S28, T19S, R13E, Lyon County, KS

Name and Address of Applicant
St. Paul, City of
P.O. Box 311
St. Paul, KS 66771

Receiving Stream
Flat Rock Creek via
KDWP & T Neosho
Wildlife Area
Wetlands

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE59-OO02 Federal Permit No. KS0084174
Legal Description: S $\frac{1}{2}$, SE $\frac{1}{4}$, NE $\frac{1}{4}$, S24, T29S, R20E & SW $\frac{1}{4}$, SW $\frac{1}{4}$, NW $\frac{1}{4}$, S19, T29S, R21E, Neosho County, KS

Name and Address of Applicant
Stark, City of
P.O. Box 32
Stark, KS 66775

Receiving Stream
Neosho River via
Canville Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE62-OO02 Federal Permit No. KS0097373
Legal Description: SW $\frac{1}{4}$, SE $\frac{1}{4}$, SE $\frac{1}{4}$, S18, T27S, R21E, Neosho County, KS

Name and Address of Applicant
Strong City, City of
P.O. Box 208
Strong City, KS 66869

Receiving Stream
Cottonwood River
via Fox Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE63-OO01 Federal Permit No. KS0031178

Name and Address of Applicant
Strong City, City of
P.O. Box 208
Strong City, KS 66869

Receiving Stream
Cottonwood River
via Fox Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE63-OO01 Federal Permit No. KS0031178

Legal Description: E $\frac{1}{2}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$, S17, T19S, R8E, Chase County, KS

Name and Address of Applicant
Wilson County Commission
615 Madison
Fredonia, KS 66736

Receiving Stream
Village Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE11-OO04 Federal Permit No. KS0084476
Legal Description: SW $\frac{1}{4}$, SW $\frac{1}{4}$, SE $\frac{1}{4}$, S15, T27S, R17E, Wilson County, KS

Facility Name: Wilson County Sewer District #1 (Tulakes)

The proposed action is to reissue the above existing permits for the operation of existing wastewater treatment facilities. The proposed permits contain limits for biochemical oxygen demand and total suspended solids, as well as monitoring for ammonia, E. coli and pH.

Name and Address of Applicant
Arma, City of
P.O. Box 829
Arma, KS 66712

Receiving Stream
First Cow Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE03-OO01 Federal Permit No. KS0045926
Legal Description: SE $\frac{1}{4}$, NE $\frac{1}{4}$, S7, T29S, R25E, Crawford County, KS

Name and Address of Applicant
Peggy Baze
P.O. Box 467
Pittsburg, KS 66762

Receiving Stream
Cow Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. C-NE67-OO01 Federal Permit No. KS0082392
Legal Description: NW $\frac{1}{4}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$, S19, T31S, R25E, Cherokee County, KS

Facility Name: Bradford Acres Mobile Home Park

Facility Location: 6564 N.E. Highway 400, Weir, KS 66781

Name and Address of Applicant
Galesburg, City of
P.O. Box 65
Galesburg, KS 66740

Receiving Stream
Labette Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE29-OO02 Federal Permit No. KS0092193
Legal Description: SE $\frac{1}{4}$, SE $\frac{1}{4}$, SE $\frac{1}{4}$, S31, T29S, R19E, Neosho County, KS

Name and Address of Applicant
Norma and Chet Hiatt
1908 S. Locust
Pittsburg, KS 66762

Receiving Stream
Spring River via
Cow Creek

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. C-NE57-OO02 Federal Permit No. KS0085782
Legal Description: SE $\frac{1}{4}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$, S34, T30S, R24E, Crawford County

Facility Name: Oak Hill Mobile Home Park

Facility Address: 943 S. 190th St., Pittsburg, KS 66762

Name and Address of Applicant
Weir, City of
P.O. Box 78
Weir, KS 66781

Receiving Stream
Brush Creek via
Unnamed Tributary

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE67-OO01 Federal Permit No. KS0079146
Legal Description: NE $\frac{1}{4}$, NW $\frac{1}{4}$, SE $\frac{1}{4}$, S27, T31S, R24E, Cherokee County, KS

The proposed action is to reissue the above existing permits for the operation of existing wastewater treatment facilities. The proposed permits contain limits for biochemical oxygen demand and total suspended solids, as well as monitoring for ammonia, E. coli, total phosphorus and pH.

Name and Address of Applicant
Burlington, City of
201 N. 2nd St.
Burlington, KS 66839

Receiving Stream
Neosho River

Type of Discharge
Treated Domestic
Wastewater

Kansas Permit No. M-NE07-002 Federal Permit No. KS0090417
 Legal Description: NE¼, SW¼, S35, T21S, R15E, Coffey County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Frontenac, City of P.O. Box 1012 Frontenac, KS 66762	Cow Creek via First Cow Creek	Treated Domestic Wastewater

Kansas Permit No. M-NE27-0001 Federal Permit No. KS0026131
 Legal Description: NE¼, NW¼, S7, T30S, R25E, Crawford County, KS

Name and Address of Applicant	Receiving Stream	Type of Discharge
Lehigh, City of P.O. Box 208 Lehigh, KS 67073	French Creek via Unnamed Tributary	Treated Domestic Wastewater

Kansas Permit No. M-NE41-0001 Federal Permit No. KS0026417
 Legal Description: NW¼, SW¼, NE¼, S26, T19S, R1E, Marion County, KS

The proposed action is to reissue the above existing permits for the operation of existing wastewater treatment facilities. The proposed permits contain limits for biochemical oxygen demand and total suspended solids, as well as monitoring for ammonia, E. coli, total phosphorus, nitrate + nitrites, total Kjeldahl nitrogen, total nitrogen and pH.

Name and Address of Applicant	Receiving Stream	Type of Discharge
AGCO Corp. 420 W. Lincoln Blvd. Hesston, KS 67062	Little Arkansas River via Middle Emma Creek	Process Wastewater

Kansas Permit No. I-LA07-PO02 Federal Permit No. KS0080951
 Legal Description: SW¼, S9, T22S, R1W, Harvey County, KS

The proposed action consists of reissuance of an existing permit for an existing wastewater treatment facility. This facility manufactures specialized farm equipment. Overflow from an oil skimmer commingles with metal working wash-down water, washer overflows, R.O. concentrate, paint booth wastewater, boiler blowdown and stormwater from a barrel storage area and is sent to the facility's industrial wastewater treatment plant (IWTP) for additional treatment. Noncontact cooling water is dechlorinated and commingled with IWTP effluent in an equalization tank where mixing, post aeration and additional dechlorination occurs prior to discharge to Middle Emma Creek. Thickened sludge is disposed in the Rolling Meadows Landfill or other KDHE-approved method. The proposed permit contains limits for total suspended solids, total toxic organics, oil and grease, total residual chlorine, total recoverable cadmium, chromium, copper, lead, nickel, silver, zinc, whole effluent toxicity and pH, as well as monitoring for total phosphorus, ammonia, sulfates, hardness and flow. Contained in the permit is a schedule of compliance requiring the permittee to update the Solvent Management Plant and test for Total Toxic Organics following proposed changes to the metal pretreatment and painting processes.

Public Notice No. KS-PT-13-004/006

The requirements of the draft permits public noticed below are pursuant to the Kansas Administrative Regulations 26-16-82 through and including 28-16-98, and U.S. Environmental Protection Agency Pretreatment Regulation 40 CFR 403:

Name and Address of Applicant	Receiving Facility	Type of Discharge
Abco Wire and Metal Products P.O. Box 313 Russell, KS 67665	Russell MWWTP	Process Wastewater

Kansas Permit No. P-SH31-0001 Federal Tracking No. KSP000001
 The proposed action consists of reissuing the above permit. This facility manufactures wire magazine racks and office furniture and utilizes an iron phosphating (conversion coating) operation to prepare metal for paint using a powder coating process. Outfall 002 consists of

wastes from the phosphating operation. The proposed permit contains limits for cadmium, chromium, copper, lead, nickel, silver, zinc, total cyanide, total toxic organics and pH, as well as monitoring of flow.

Name and Address of Applicant	Receiving Facility	Type of Discharge
Flint Hills Industries, LLC 220 Industrial Road Hillsboro, KS 67063	Hillsboro MWWTP	Process Wastewater

Kansas Permit No. P-NE35-0001 Federal Tracking No. KSP000033
 The proposed action consists of reissuing the above permit. This facility manufactures livestock trailers for the agricultural industry and performs conversion coating (iron phosphating) on steel trailers, to prepare them for paint. Some aluminum trailers may also be cleaned and washed on-site, using a mild acid, which is also considered to be a metal finishing process. The proposed permit contains limits for cadmium, chromium, copper, lead, nickel, silver, zinc, total cyanide, total toxic organics and pH, as well as monitoring of flow.

Name and Address of Applicant	Receiving Facility	Type of Discharge
Kraft Tool Co. 8325 Hedge Lane Terrace Shawnee, KS 66227	Neodesha MWWTP	Process Wastewater

Kansas Permit No. P-VE29-0001 Federal Tracking No. KSP000049
 Facility Name: Sands Level & Tool Co. Inc.
 Facility Address: 1250 Tank Ave., Neodesha, KS 66757

The proposed action consists of reissuing the above permit. This facility manufactures carpenter levels and squares, cement finishing and other hand tools. Regulated processes include copper electroplating, chemical etching and milling, and conversion coating of aluminum. The proposed permit contains limits for cadmium, chromium, copper, lead, nickel, silver, zinc, total cyanide, total toxic organics and pH, as well as monitoring of flow.

Persons wishing to comment on the draft documents 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 considered in the decision-making process. Comments should be submitted to the attention of the Livestock Waste Management Section for agricultural-related draft documents or applications, or to the Technical Services Section for all other permits, at the Kansas Department of Health and Environment, Division of Environment, Bureau of Water, 1000 S.W. Jackson, Suite 420, Topeka, 66612-1367.

All comments regarding the draft documents or application notices received on or before May 25 will be considered in the formulation of the final determinations regarding this public notice. Please refer to the appropriate Kansas document number (KS-AG-13-094/099, KS-Q-13-051/076, KS-PT-13-004/006) and name of the applicant/permittee when preparing comments.

After review of any comments received during the public notice period, the secretary of health and environment will issue a determination regarding final agency action on each draft document/application. If response to any draft document/application indicates significant public interest, a public hearing may be held in conformance with K.A.R. 28-16-61 (28-46-21 for UIC).

All draft documents/applications and the supporting information including any comments received are on file and may be inspected at the offices of the Kansas Department of Health and Environment, Bureau of Water. These documents are available upon request at the copy-

(continued)

ing cost assessed by KDHE. Application information and components of plans and specifications for all new and expanding swine facilities are available on the Internet at <http://www.kdheks.gov/feedlots>. Division of Environment offices are open from 8 a.m. to 5 p.m. Monday through Friday, excluding holidays.

Robert Moser, M.D.
Secretary of Health
and Environment

Doc. No. 041494

State of Kansas

Department of Health and Environment

Notice of Hearing on Proposed Administrative Regulations

The Kansas Department of Health and Environment, Division of Health, Bureau of Family Health, will conduct a public hearing at 1:30 p.m. Monday, July 15, in Room 530 of the Curtis State Office Building, 1000 S.W. Jackson, Topeka, to consider amendments to regulations K.A.R. 28-4-801, 28-4-814, 28-4-816, 28-4-820 and 28-4-821, pertaining to family foster homes for children. A summary of the proposed regulations and the estimated economic impact follows:

Summary of Regulations:

K.A.R. 28-4-801. License required. The proposed amendment describes conditions under which an individual is not required to obtain a license to operate a family foster home.

K.A.R. 28-4-814. Family life. The proposed amendment pertains to informal visitation of a child in foster care in the home of an extended family of the foster family, clarifying that either the original or a copy of the medical consent form and health assessment must be provided.

K.A.R. 28-4-816. Transportation. The proposed amendment removes a driver requirement from the subsection on vehicle requirements; requires the driver of any vehicle used to transport a child in foster care to hold a valid driver's license; clarifies the requirements for child safety seats; expands the individuals responsible for obtaining parental permission before a child in foster care is allowed to drive; clarifies the requirements for drivers age 16 but not 18 when transporting a child in foster care to and from school, work or social activities; and clarifies which subsections must be met when a child in foster care who is a parent transports a child of that parent. Statutory references are updated in several subsections.

K.A.R. 28-4-820. General environmental requirements. The proposed amendment clarifies that stairways with two or more stairs and a landing shall have a handrail and be guarded only if there is a drop-off of more than 21 inches; changes the space required between stairway balusters from not exceeding three inches to not exceeding four inches; deletes the requirement that each floor used as living space has at least two means of escape; clarifies that smoke detectors and carbon monoxide detectors must be working; and clarifies the requirements for fireplaces, heating appliances and clothes dryers.

K.A.R. 28-4-821. Sleeping arrangements. The proposed amendment adds requirements for means of escape for each bedroom used by a child; deletes requirements for basement bedrooms; rewords the requirement that privacy is ensured for the occupants of all bedrooms; clarifies the requirement for a separate bed or crib for each child; clarifies the requirements for use of bunk beds; based on safe sleep practices for children less than 12 months of age, adds to the list of soft items that shall not be used in a crib or playpen and allows a child who can turn over independently to be placed on the child's back to sleep but be allowed to remain in a position preferred by the child; adds a new subsection for requirements if a child less than five years of age shares a room with any other child; and clarifies the requirements if a child sleeps in the bedroom of the licensee. The proposed amendment specifies which subsections pertain only to a child in foster care and not to all children in the home.

Economic Impact:

Cost to the agency: There is no additional cost to the agency.

Cost to licensees: There is no additional cost to individuals currently licensed as foster parents.

Costs to other governmental agencies or units: There is no known additional cost.

The time period between publication of this notice and the scheduled hearing serves as the required public comment period of at least 60 days for the purpose of receiving written public comments on the proposed amended regulations. At any time during the public comment period any interested parties may submit written comments to Dorothy Tenney, KDHE, Child Care Licensing Program, 1000 S.W. Jackson, Suite 200, Topeka, 66612-1274, by fax at 785-296-0803, or by e-mail to dtenney@kdheks.gov. During the hearing, all interested parties will be given a reasonable opportunity to present their views orally on the proposed amended regulations as well as an opportunity to submit their written comments. In order to give each individual an opportunity to present their views, it may be necessary for the hearing officer to request that each presenter limit any oral presentation to an appropriate time frame.

Complete copies of the proposed regulations and the corresponding economic impact statement may be obtained on the Child Care Licensing website at www.kdheks.gov/kidsnet/ or by contacting Dorothy Tenney at the address above, 785-296-1270 or fax 785-296-0803.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Dorothy Tenney.

Robert Moser, M.D.
Secretary of Health
and Environment

Doc. No. 041495

**State of Kansas
Advisory Committee on Trauma**

Notice of Meeting

The Advisory Committee on Trauma will meet from 10 a.m. to 3 p.m. Wednesday, May 8, at the Kansas State Historical Society and Museum, 6425 S.W. 6th Ave., Topeka.

Robert Moser, M.D.
Secretary of Health
and Environment

Doc. No. 041492

**State of Kansas
Statewide Independent Living
Council of Kansas, Inc.**

Notice of Meeting

The Statewide Independent Living Council of Kansas, Inc. will meet at 10 a.m. Friday, May 10, at the Topeka & Shawnee County Public Library, 1515 S.W. 10th Ave., Room 101A, Topeka. For more information contact Lou Ann Kibbee at 785-628-8019 or email at louannk@skilonline.com.

Lou Ann Kibbee
Chair

Doc. No. 041484

**State of Kansas
Department for Aging and Disability Services
Department of Health and Environment
Division of Health Care Finance**

**Notice of Final Nursing Facility Medicaid Rates
for State Fiscal Year 2014;**

**Methodology for Calculating Final Rates, and
Rate Justifications; Response to Written Comments;
Notice of Intent to Amend the Medicaid State Plan**

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 for Aging and Disability Services administers the nursing facility program, which includes hospital long-term care units, and the nursing facility for mental health program. The secretary acts on behalf of the Kansas Department of Health and Environment, Division of Health Care Finance (DHCF), the single state Medicaid agency.

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 secretary of the Kansas Department for Aging and Disability Services (KDADS) is publishing the proposed Medicaid per diem rates for Medicaid-certified nursing facilities for state fiscal year 2014, the methodology underlying the establishment of the final nursing facility rates, and the justifications for those final rates. DHCF and KDADS are also providing notice of the state's intent to submit pro-

posed amendments to the Medicaid State Plan to the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) on or before September 30, 2013.

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 listed 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 are maintained by DHCF:
1. Attachment 4.19D, Part I, Subpart C, Exhibit C-1, inclusive;
 2. Attachment 4.19D, Part I, Subpart U

The text of the portions of the Medicaid State Plan identified above in section IA.1, but not the documents, authorities and the materials incorporated therein by reference, is reprinted in this notice. The Medicaid State Plan provision set out in this notice appears in the version which the state currently intends to submit to CMS on or before September 30, 2013. The proposed Medicaid State Plan amendment that the state ultimately submits to CMS may differ from the version 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 for Aging and Disability Services
New England Building, 2nd Floor
503 S. Kansas Ave.
Topeka, KS 66603-3404
Fax: 785-296-0767

**A.1 Attachment 4.19D, Part I, Subpart C, Exhibit C-1:
Methods and Standards for Establishing Payment Rates
for Nursing Facilities**

Under the Medicaid program, the State of Kansas pays nursing facilities (NF), nursing facilities for mental health (NFMH), 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 narrative explanation of the nursing facility reimbursement formula is divided into eleven sections. The sections are: Cost Reports, Rate Determination, Quarterly Case Mix Index Calculation, Resident Days, Inflation Factors, Upper Payment Limits, Quarterly Case Mix Rate Adjustment, Real and Personal Property Fee, Incentive Factors, Rate Effective Date, and Retroactive Rate Adjustments.

1) Cost Reports

The Nursing Facility Financial and Statistical Report (MS2004) is the uniform cost report. It is included in Kansas Administrative Regulation (K.A.R.) 129-10-17. It organizes the commonly incurred business expenses of pro-

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viders into three reimbursable cost centers (operating, indirect health care, and direct 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 a non-reimbursable/non-resident 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 that have operated a facility for 12 or more months on December 31 shall file a calendar year cost report. The requirements for filing the calendar year cost report are found in K.A.R. 129-10-17.

When a non-arms length or related party 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 Medicaid program; or 3) a provider re-entering the Medicaid program that has not actively participated or billed services for 24 months or more. The requirements are found in K.A.R. 129-10-17.

2) Rate Determination

Rates for Existing Nursing Facilities

Medicaid rates for Kansas NFs are determined using a prospective, facility-specific rate-setting system. The rate is determined from the base cost data submitted by the provider. The current base cost data is the combined calendar year cost data from each available report submitted by the current provider during 2008, 2009, and 2010.

If the current provider has not submitted a calendar year report between 2008 and 2010, the cost data submitted by the previous provider for that same period will be used as the base cost data. Once the provider completes their first 24 months in the program, their first calendar year cost report will become the provider's base cost data.

The allowable expenses are divided into three cost centers. The cost centers are Operating, Indirect Health Care and Direct Health Care. They are defined in K.A.R. 129-10-18.

The allowable historic per diem cost is determined by dividing the allowable resident related expenses in each cost center by resident days. Before determining the per diem cost, each year's cost data is adjusted from the midpoint of that year to 12/31/11. The resident days and in-

flation factors used in the rate determination will be explained in greater detail in the following sections.

The inflated allowable historic per diem cost for each cost center is then compared to the cost center upper payment limit. The allowable per diem rate is the lesser of the inflated allowable historic per diem cost in each cost center or the cost center upper payment limit. Each cost center has a separate upper payment limit. If each cost center upper payment limit is exceeded, the allowable per diem rate is the sum of the three cost center upper payment limits. There is also a separate upper payment limit for owner, related party, administrator, and co-administrator compensation. The upper payment limits will be explained in more detail in a separate section.

The case mix of the residents adjusts the Direct Health Care cost center. The reasoning behind a case mix payment system is that the characteristics of the residents in a facility should be considered in determining 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.

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 per diem pass-throughs to cover costs not included in the cost report data. The incentive factor and real and personal property fee are explained in separate sections of this exhibit. Pass-throughs are explained in separate subparts of Attachment 4.19D of the State Plan. The add-ons plus the allowable per diem rate equal the total per diem rate.

Rates for New Construction and New Facilities (New Enrollment Status)

The per diem rate for newly constructed nursing facilities, or new facilities to the Kansas Medical Assistance program shall be based on a projected cost report submitted in accordance with K.A.R. 129-10-17.

The cost information from the projected cost report and the first historic cost report covering the projected cost report period shall be adjusted to 12/31/11. This adjustment will be based on the IHS Global Insight, National Skilled Nursing Facility Market Basket Without Capital Index (IHS Index). The IHS indices listed in the latest available quarterly publication will be used to adjust the reported cost data from the midpoint of the cost report period to 12/31/11. The provider shall remain in new enrollment status until the base data is reestablished. During this time, the adjusted cost data shall be used to determine all rates for the provider. Any additional factor for inflation that is applied to cost data for established providers shall be applied to the adjusted cost data for each provider in new enrollment status.

Rates for Facilities Recognized as a Change of Provider (Change of Provider Status)

The payment rate for the first 24 months of operation shall be based on the base cost data of the previous owner or provider. This base cost data shall include data from each calendar year cost report that was filed by the previous provider from 2008 to 2010. If base cost data is not

available the most recent calendar year data for the previous provider shall be used. Beginning with the first day of the 25th month of operation the payment rate shall be based on the historical cost data for the first calendar year submitted by the new provider.

All data used to set rates for facilities recognized as a change-of-provider shall be adjusted to 12/31/11. This adjustment will be based on the IHS Index. The IHS indices listed in the latest available quarterly publication will be used to adjust the reported cost data from the midpoint of the cost report period to 12/31/11. The provider shall remain in change-of-provider status until the base data is reestablished. During this time, the adjusted cost data shall be used to determine all rates for the provider. Any additional factor for inflation that is applied to cost data for established providers shall be applied to the adjusted cost data for each provider in change of provider status.

Rates for Facilities Re-entering the Program (Reenrollment Status)

The per diem rate for each provider reentering the Medicaid program shall be determined from a projected cost report if the provider has not actively participated in the program by the submission of any current resident service billings to the program for 24 months or more. The per diem rate for all other providers reentering the program shall be determined from the base cost data filed with the agency or the most recent cost report filed preceding calendar year 2008.

All cost data used to set rates for facilities reentering the program shall be adjusted to 12/31/11. This adjustment will be based on the IHS Index. The IHS indices listed in the latest available quarterly publication will be used to adjust the reported cost data from the midpoint of the cost report period to 12/31/11. The provider shall remain in reenrollment status until the base data is reestablished. During this time, the adjusted cost data shall be used to determine all rates for the provider. Any additional factor for inflation that is applied to cost data for established providers shall be applied to the adjusted cost data for each provider in reenrollment status.

3) Quarterly Case Mix Index Calculation

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

The Resource Utilization Groups-III (RUG-III) Version 5.12b, 34 group, index maximizer model is used as the resident classification system to determine all case-mix indices, using data from the MDS submitted by each facility. Standard Version 5.12b case mix indices developed by the Health Care Financing Administration (now the Centers for Medicare and Medicaid Services) shall be the basis for calculating facility average case mix indices to be used to adjust the Direct Health Care costs in the determination of upper payment limits and rate calculation. Resident assessments that cannot be classified will be assigned the lowest CMI for the State.

Each resident in the facility on the first day of each calendar quarter with a completed and submitted assessment shall be assigned a RUG-III 34 group calculated on the resident's most current assessment available on the

first day of each calendar quarter. This RUG-III group shall be translated to the appropriate CMI. From the individual resident case mix indices, three average case mix indices for each Medicaid nursing facility shall be determined four times per year based on the assessment information available on the first day of each calendar quarter.

The facility-wide average CMI is the simple average, carried to four decimal places, of all resident case mix indices. The Medicaid-average CMI is the simple average, carried to four decimal places, of all indices for residents, including those receiving hospice services, where Medicaid is known to be a per diem payer source on the first day of the calendar quarter or at any time during the preceding quarter. The private-pay/other average CMI is the simple average, carried to four decimal places, of all indices for residents where neither Medicaid nor Medicare were known to be the per diem payer source on the first day of the calendar quarter or at any time during the preceding quarter. Case mix indices for ventilator-dependent residents for whom additional reimbursement has been determined shall be excluded from the average CMI calculations.

The resident listing cut-off for calculating the average CMIs will be the first day of the quarter before the rate is effective. The following are the dates for the resident listings and the quarter in which the average Medicaid CMIs will be used in the quarterly rate-setting process.

<u>Rate Effective Date:</u>	<u>Cut-Off Date:</u>
July 1	April 1
October 1	July 1
January 1	October 1
April 1	January 1

The resident listings will be mailed to providers prior to the dates the quarterly case mix adjusted rates are determined. This will allow the providers time to review the resident listings and make corrections before they are notified of new rates. The cut off schedule may need to be modified in the event accurate resident listings and Medicaid CMI scores cannot be obtained from the MDS database.

4) Resident Days

Facilities with 60 beds or less:

For facilities with 60 beds or less, the allowable historic per diem costs for all cost centers are determined by dividing the allowable resident related expenses by the actual resident days during the cost report period(s) used to establish the base cost data.

Facilities with more than 60 beds:

For facilities with more than 60 beds, the allowable historic per diem costs for the Direct Health Care cost center and for food and utilities in the Indirect Health Care cost center are determined by dividing the allowable resident related expenses by the actual resident days during the cost report period(s) used to establish the base cost data. The allowable historic per diem cost for the Operating and Indirect Health Care Cost Centers less food and utilities is subject to an 85% minimum occupancy rule. For these providers, the greater of the actual resident days for

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the cost report period(s) used to establish the base cost data or the 85% minimum occupancy based on the number of licensed bed days during the cost report period(s) used to establish the base cost data is used as the total resident days in the rate calculation for the Operating cost center and the Indirect Health Care cost center less food and utilities. All licensed beds are required to be certified to participate in the Medicaid program.

There are two exceptions to the 85% minimum occupancy rule for facilities with more than 60 beds. The first is that it does not apply to a provider who is allowed to file a projected cost report for an interim rate. Both the rates determined from the projected cost report and the historic cost report 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 any part of 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 for the months in the first year of operation. The 85% minimum occupancy rule is then reapplied to the rate when the new provider reports resident days and costs for the 13th month of operation and after.

5) Inflation Factors

Inflation will be applied to the allowable reported costs from the calendar year cost report(s) used to determine the base cost data from the midpoint of each cost report period to 12/31/11. The inflation will be based on the IHS Global Insight, CMS Nursing Home without Capital Market Basket index.

The IHS Global Insight, CMS Nursing Home without Capital Market Basket Indices listed in the latest available quarterly publication will be used to determine the inflation tables for the payment schedules processed during the payment rate period. This may require the use of forecasted factors in the inflation table. The inflation tables will not be revised until the next payment rate period.

The inflation factor will not be applied to the following costs:

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

The inflation factor for the real and personal property fees will be based on the IHS index.

6) Upper Payment Limits

There are three types of upper payment limits that will be described. One is the owner/related party/administrator/co-administrator limit. The second is the real and personal property fee limit. The last type of limit is an upper payment limit for each cost center. The upper payment limits are in effect during the payment rate period unless otherwise specified by a State Plan amendment.

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

Since salaries and other compensation of owners are not subject to the usual market constraints, specific limits

are placed on the amounts reported. First, amounts paid to non-working 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 their compensation limited by the percent of their total work time to a standard work week. A standard work week is defined as 40 hours. The owners and related parties must be professionally qualified to perform services which 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 is also 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 excess of the Kansas Civil Service based salary chart are transferred to the Operating 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 non-owner administrator and co-administrator salaries. The schedule includes the calendar year 2010 historic cost reports in the database from all active nursing facility providers. The salary information in the array 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 with more than 60 beds. The Schedule C for the owner/related party/administrator/co-administrator per diem compensation limit is the first schedule run during the rate setting.

The Schedule C is used to set the per diem limitation for all non-owner 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 non-owner 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. The per diem limit for a 15-bed or less facility is inflated based on the State of Kansas annual cost of living allowance for classified employees for the rate period. 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 non-owner 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 operating cost center.

Real and Personal Property Fee Limit

The property component of the reimbursement methodology consists of the real and personal property fee that is explained in more detail in a later section. The upper payment limit will be 105% of the median determined from a total resident day-weighted array of the property fees in effect April 1, 2011.

Cost Center Upper Payment Limits

The Schedule B computer run is an array of all per diem costs for each of the three cost centers-Operating, Indirect Health Care, and Direct Health Care. The schedule includes a per diem determined from the base cost data from all active nursing facility providers. Projected cost reports are excluded when calculating the limit.

The per diem expenses for the Operating cost center and the Indirect Health Care cost center less food and utilities are subject to the 85% minimum occupancy for facilities over 60 beds. 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 limit.

Prior to the Schedule B arrays, the cost data on certain expense lines is adjusted from the midpoint of the cost report period to 12/31/11. This will bring the costs reported by the providers to a common point in time for comparisons. The inflation will be based on the IHS Global Insight, CMS Nursing Home without Capital Market Basket Index.

Certain costs are exempt from the inflation application when setting the upper payment limits. They include 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:

Operating	110% of the median
Indirect Health Care	115% of the median
Direct Health Care	130% of the median

Direct Health Care Cost Center Limit:

The Kansas reimbursement methodology has a component for a case mix payment adjustment. The Direct Health Care cost center rate component and upper payment limit are adjusted by the facility average CMI.

For the purpose of setting the upper payment limit in the Direct Health Care cost center, the facility cost report period CMI and the statewide average CMI will be calculated. The facility cost report period CMI is the resident day-weighted average of the quarterly facility-wide average case mix indices, carried to four decimal places. The quarters used in this average will be the quarters that most closely coincide with the financial and statistical reporting period. For example, a 01/01/20XX-12/31/20XX financial and statistical reporting period would use the facility-wide average case mix indices for quarters beginning 04/01/XX, 07/01/XX, 10/01/XX and 01/01/XY. The statewide average CMI is the resident day-weighted average, carried to four decimal places, of the facility cost report period case mix indices for all Medicaid facilities.

The statewide average CMI and facility cost report period CMI are used to set the upper payment limit for the Direct Health Care cost center. The limit is based on all facilities with a historic cost report in the database. There are three steps in establishing the base upper payment limit.

The first step is to normalize each facility's inflated Direct Health Care costs to the statewide average CMI. This is done by dividing the facility's cost report period CMI by the statewide average CMI for the cost report year, then multiplying this answer by the facility's inflated costs. This step is repeated for each cost report year for which data is included in the base cost data.

The second step is to determine per diem costs and array them to determine the median. The per diem cost is determined by dividing the total of each provider's base direct health care costs by the total days provided during the base cost data period. The median is located using a day-weighted methodology. That is, the median cost is the per diem cost for the facility in the array at which point the cumulative total of all resident days first equals or exceeds half the number of the total resident days for all providers. The facility with the median resident day in the array sets the median inflated direct health care cost. For example, if there are 8 million resident days, the facility in the array with the 4 millionth day would set the median.

The final step in calculating the base Direct Health Care upper payment limit is to apply the percentage factor to the median cost. For example, if the median cost is \$60 and the upper payment limit is based on 120% of the median, then the upper payment limit for the statewide average CMI would be \$78 ($D=130\% \times \60).

7) Quarterly Case Mix Rate Adjustment

The allowance for the Direct Health Care cost component will be based on the average Medicaid CMI in the facility. The first step in calculating the allowance is to determine the Allowable Direct Health Care Per Diem Cost. This is the lesser of the facility's per diem cost from the base cost data period or the Direct Health Care upper payment limit. Because the direct health care costs were previously adjusted for the statewide average CMI, the Allowable Direct Health Care Per Diem Cost corresponds to the statewide average CMI.

The next step is to determine the Medicaid acuity adjusted allowable Direct Health Care cost. The Medicaid CMI is divided by the statewide average CMI for the cost data period. This answer is then multiplied by the Allowable Direct Health Care per diem cost. The result is referred to as the Medicaid Acuity Adjustment.

The Medicaid Acuity Adjustment is calculated quarterly to account for changes in the Medicaid CMI. To illustrate this calculation take the following situation: The facility's direct health care per diem cost is \$60.00, the Direct Health Care per diem limit is \$78.00, and these are both tied to a statewide average CMI of 1.000, and the facility's current Medicaid CMI is 0.9000. Since the per diem costs are less than the limit the Allowable Direct Health Care Cost is \$60.00, and this is matched with the statewide average CMI of 1.0000. To calculate the Medi-

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caid Acuity Adjustment, first divide the Medicaid CMI by the statewide average CMI, then multiply the answer by the Allowable Direct Health Care Cost. In this case that would result in \$54.00 (0.9000/1.0000 × \$60.00). Because the facility’s current Medicaid CMI is less than the statewide average CMI the Medicaid Acuity Adjustment moves the direct health care per diem down proportionally. In contrast, if the Medicaid CMI for the next quarter rose to 1.1000, the Medicaid Acuity Adjustment would be \$66.00 (1.1000/1.0000 × \$60.00). Again the Medicaid Acuity Adjustment changes the Allowable Direct Health Care Per Diem Cost to match the current Medicaid CMI.

8) Real and Personal Property Fee

The property component of the reimbursement methodology consists of the real and personal property fee (property fee). The property fee is paid in lieu of an allowable cost of mortgage interest, depreciation, lease expense and/or amortization of leasehold improvements. The fee is facility specific and does not change as a result of a change of ownership, change in lease, or with re-enrollment in the Medicaid program. The original property fee was comprised of two components, a property allowance and a property value factor. The differentiation of fee into these components was eliminated effective July 1, 2002. At that time each facility’s fee was re-established based on the sum of the property allowance and value factor.

The property fees in effect on June 1, 2008 were inflated with 12 months of inflation effective July 1, 2008. The inflation factor was from the IHS Global Insight, CMS Nursing Home without Capital Market Basket. The providers receive the lower of the inflated property fee or the upper payment limit.

For providers re-enrolling in the Kansas Medical Assistance program or providers enrolling for the first time but operating in a facility that was previously enrolled in the program, the property fee shall be the sum of the last effective property allowance and the last effective value factor for that facility. The property fee will be inflated to 12/31/08 and then compared to the upper payment limit. The property fee will be the lower of the facility-specific inflated property fee or the upper payment limit.

Providers entering the Kansas Medical Assistance program for the first time, who are operating in a building for which a fee has not previously been established, shall have a property fee calculated from the ownership costs reported on the cost report. This fee shall include appropriate components for rent or lease expense, interest expense on real estate mortgage, amortization of leasehold improvements, and depreciation on buildings and equipment. The process for calculating the property fee for providers entering the Kansas Medical Assistance program for the first time is explained in greater detail in K.A.R. 129-10-25.

There is a provision for changing the property fee. This 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 fee remains constant but the additional factor for the rebasing is added. The property fee rebasing is explained in greater detail in K.A.R. 129-10-25. The rebased property fee is subject to the upper payment limit.

9) Incentive Factors

An incentive factor will be awarded to both NF and NF-MH providers that meet certain outcome measures criteria. The criteria for NF and NF-MH providers will be determined separately based on arrays of outcome measures for each provider group.

Nursing Facility Quality and Efficiency Incentive Factor:

The Nursing Facility Incentive Factor is a per diem amount determined by six per diem add-ons providers can earn for various outcomes measures. Providers that maintain a case mix adjusted staffing ratio at or above the 75th percentile will earn a \$2.25 per diem add-on. Providers that fall below the 75th percentile staffing ratio but improve their staffing ratio by 10% or more will earn a \$0.20 per diem add-on. Providers that achieve a turnover rate at or below the 75th percentile will earn a \$2.25 per diem add-on. Providers that have a turnover rate greater than the 75th percentile but that reduce their turnover rate by 10% or more will receive a per diem add-on of \$0.20. Finally, providers that have a Medicaid occupancy percentage of 60% or more will receive a \$1.00 per diem add-on. The total of all the per diem add-ons a provider qualifies for will be their incentive factor.

The table below summarizes the incentive factor outcomes and per diem add-ons:

Incentive Outcome	Incentive Points
CMI adjusted staffing ratio ≥ 75th percentile (4.87), or CMI adjusted staffing < 75th percentile but improved ≥ 10%	\$2.25 \$0.20
Staff turnover rate ≤ 75th percentile, 39% or Staff turnover rate > 75th percentile but reduced ≥ 10%	\$2.25 \$0.20
Medicaid occupancy ≥ 60%	\$1.00
Total Incentive Points Available	\$5.90

The Culture Change/Person-Centered Care Incentive Program

The Culture Change/Person-Centered Care Incentive Program (PEAK 2.0) includes five different incentive levels to recognize homes that are either pursuing culture change, have made major achievements in the pursuit of culture change, have met minimum competencies in person-centered care, have sustained person-centered care, or are mentoring others in person-centered care.

Each incentive level has a specific pay-for-performance incentive per diem attached to it that homes can earn by meeting defined outcomes. The first two levels are intended to encourage quality improvement for homes that have not yet met the minimum competency requirements for a person-centered care home. Homes can earn both of these incentives simultaneously as they progress toward the minimum competency level. The third level recognizes those homes that have attained a minimum level of core competency in person-centered care. The fourth and fifth levels are reserved for those homes that have demonstrated sustained person-centered care for multiple years and have gone on to mentor other homes in their pursuit of person-centered care. The table below provides a brief overview of each of the levels.

PEAK Nursing Home Incentive Program

Level	Title	Required Nursing Home Action	State Action	Per Diem Incentive	Incentive Duration
1	Pursuit of Culture Change	Completes a person-centered care assessment (KCCI leadership version). Based on evaluation of this information the home then develops and submits an action plan explaining what changes they will implement during the next state fiscal year. The plan must include a time line, a budget, and staff education initiatives. All materials must be submitted in accordance with the PEAK 2.0 application packet.	Reviews assessment documentation and action plan to ensure that PEAK 2.0 application requirements have been met. Implements incentive for the next fiscal year.	\$0.50	Available beginning July 1, 2012. Subsequent fiscal year following approved action plan.
2	Culture Change Achievement	Submits culture change action plan report to KDADS documenting successful implementation of at least 75% of the core competencies approved. A home can apply for recognition for achievement and pursuit of culture change in the same year.	Reviews culture change action plan report and verifies that it documents at least 75% of the approved core competencies have been met. Conducts site visit to verify that action plan objectives have been met.	\$1.00	Available beginning July 1, 2014. Subsequent fiscal year following confirmed successful action plan report.
3	Person - Centered Care Home	Completes a person-centered care assessment (KCCI leadership version). Based on evaluation of this information the home then develops and submits a narrative demonstrating that the home has achieved minimum competency in the core areas of PEAK defined person-centered care. Once a home attains this level they are no longer eligible for recognition through levels one and two.	Reviews application to ensure it meets designated criteria. Conducts site visits to confirm application.	\$2.00	Available beginning July 1, 2012. Subsequent fiscal year following confirmed minimum competency.
4	Sustained Person - Centered Care	Earns person-centered care home award two consecutive years or bi-annually following initial recognition as sustained person-centered care home. For state fiscal year 2013 only, previous PEAK award wins will be included. Homes that meet the person-centered care home criteria that have also won a PEAK award once in the previous four years or twice in the first 10 years of PEAK would qualify.	Reviews application to ensure it meets designated criteria. Conducts site visits to confirm application. Reviews prior records to ensure home meets sustained criteria.	\$3.00	Available beginning July 1, 2012. Two subsequent fiscal years following confirmation. Renewable biennially.
5	Person - Centered Care Mentor	Earns sustained person-centered care achievement award, and successfully mentors another home to earn culture change achievement or Person-Centered Care Home Award. Submits documentation of mentoring activity. For the first year only previous PEAK winners would be allowed to submit evidence of their own mentoring activities and document how that has led to culture change in other homes.	Verifies sustained person-centered care achievement award. Reviews mentoring documentation and verifies mentoring activities with mentoree.	\$4.00	Available beginning July 1, 2012. Two subsequent fiscal years following confirmation. Renewable biennially.

Nursing Facility for Mental Health Quality and Efficiency Incentive Factor:

The Quality and Efficiency Incentive plan for Nursing Facilities for Mental Health (NFMH) will be established separately from NF. NFMH serve people who often do not need the NF level of care on a long term basis. There is a desire to provide incentive for NFMH to work co-

operatively and in coordination with Community Mental Health Centers to facilitate the return of persons to the community.

The Quality and Efficiency Incentive Factor is a per diem add-on ranging from zero to three dollars. It is designed to encourage quality care, efficiency and cooper-

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ation with discharge planning. The incentive factor is determined by five outcome measures: case-mix adjusted nurse staffing ratio; operating expense; staff turnover rate; staff retention rate; and occupancy rate. Each provider is awarded points based on their outcomes measures and the total points for each provider determine the per diem incentive factor included in the provider's rate calculation.

Providers may earn up to two incentive points for their case mix adjusted nurse staffing ratio. They will receive two points if their case-mix adjusted staffing ratio equals or exceeds 3.72, which is 120% of the statewide NFMH median of 3.10. They will receive one point if the ratio is less than 120% of the NFMH median but greater than or equal to 3.41, which is 110% of the statewide NFMH median. Providers with staffing ratios below 110% of the NFMH median will receive no points for this incentive measure.

NFMH providers may earn one point for low occupancy outcomes measures. If they have total occupancy less than 90% they will earn a point.

NFMH providers may earn one point for low operating expense outcomes measures. They will earn a point if their per diem operating expenses are below \$17.56, or 90% of the statewide median of \$19.51.

NFMH providers may earn up to two points for their turnover rate outcome measure. Providers with direct health care staff turnover equal to or below 21%, the 75th percentile statewide, will earn two points as long as contracted labor costs do not exceed 10% of the provider's total direct health care labor costs. Providers with direct health care staff turnover greater than 21% but equal to or below 37%, the 50th percentile statewide, will earn one point as long as contracted labor costs do not exceed 10% of the provider's total direct health care labor costs.

Finally, NFMH providers may earn up to two points for their retention rate outcome measure. Providers with staff retention rates at or above 84%, the 75th percentile statewide will earn two points. Providers with staff retention rates at or above 78%, the 50th percentile statewide will earn one point.

The table below summarizes the incentive factor outcomes and points:

Quality/Efficiency Outcome	Incentive Points
CMI adjusted staffing ratio ≥ 120% (3.72) of NF-MH median (3.10), or CMI adjusted staffing ratio between 110% (3.41) and 120%	2, or 1
Total occupancy ≤ 90%	1
Operating expenses < \$17.56, 90% of NF-MH median, \$19.51	1
Staff turnover rate ≤ 75th percentile, 21% Staff turnover rate ≤ 50th percentile, 37% Contracted labor < 10% of total direct health care labor costs	2, or 1
Staff retention ≥ 75th percentile, 84% Staff retention ≥ 50th percentile, 78%	2, or 1
Total Incentive Points Available	8

The Schedule E is an array containing the incentive points awarded to each NFMH provider for each quality and efficiency incentive outcome. The total of these points will be used to determine each provider's incentive factor based on the following table.

Total Incentive Points:	Incentive Factor Per Diem:
Tier 1: 6-8 points	\$7.50
Tier 2: 5 points	\$5.00
Tier 3: 4 points	\$2.50
Tier 4: 0-3 points	\$0.00

The survey and certification performance of each NF and NF-MH provider will be reviewed prior to any incentive factor payment. In order to qualify for the incentive factor a home must not have received any health care survey deficiency of scope and severity level "H" or higher during the survey review period. Homes that receive "G" level deficiencies, but no "H" level or higher deficiencies, and that correct the "G" level deficiencies within 30 days of the survey, will receive 50% of the calculated incentive factor. Homes that receive no deficiencies higher than scope and severity level "F" will receive 100% of the calculated incentive factor. The survey and certification review period will be the 15-month period ending one quarter prior to the rate effective date. The following table lists the rate effective dates and corresponding review period end dates.

Rate Effective Date:	Review Period End Date:
July 1	March 31st
October 1	June 30th
January 1	September 30th
April 1	December 31st

10) Rate Effective Date

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

11) Retroactive Rate Adjustments

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

A retroactive rate adjustment and direct cash settlement is made if the agency determines that the base year cost report data used to determine the prospective payment rate was in error. The prospective payment rate period is adjusted for the corrections.

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

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

II. Final Medicaid Per Diem Rates for Kansas Nursing Facilities

A.1 Cost Center Limitations: The state proposes the following cost center limitations which are used in setting rates effective July 1, 2013.

Cost Center	Limit Formula	Per Day Limit
Operating	110% of the Median Cost	\$31.45
Indirect Health Care	115% of the Median Cost	\$45.89
Direct Health Care	130% of the Median Cost	\$99.24
Real and Personal Property Fee	105% of the Median Fee	\$9.11

These amounts were determined according to the "Reimbursement Limitations" section. The Direct Healthcare

Limit is calculated based on a CMI of 1.0079, which is the statewide average.

A.2 Quality Care Assessment Per Diem Pass-Through:

To compensate providers for increased expenses incurred due to the quality care assessment, a per diem pass-through will be determined and paid to each Medicaid provider. The per diem will be added to the nursing facility Medicaid per diem rate. The quality care assessment pass-through will not be subject to cost center limits or the 85% occupancy rule.

- 1) **Qualifying Providers** All providers currently enrolled in the Medicaid program will be eligible for the quality care assessment pass-through per diem.
- 2) **Per Diem Pass-Through Calculation.** The quality care assessment pass-through per diem will be determined by multiplying the quarterly quality care assessment paid by each qualifying provider by four to determine an annualized assessment expense. The annualized assessment expense will be divided by the total resident days from the calendar year cost report preceding the start of the fiscal year. For example, during fiscal year 2014 (July 1, 2013 through June 30, 2014), the resident day total from the calendar year 2012 cost report will be used to determine the per diem pass-through.

For providers filing a projected cost report the projected resident day total will be used to initially calculate the pass-through per diem. The per diem pass-through will be adjusted retroactively for an historical cost report covering the projection period.

B. Case Mix Index. These proposed rates are based upon each nursing facility's Medicaid average CMI calculated with a cutoff date of April 1, 2013, using the July 1, 2013 Kansas Medicaid/Medikan CMI Table. In Section II.C below, each nursing facility's Medicaid average CMI is listed beside its proposed per diem rate.

C. The following list includes the calculated Medicaid rate for each nursing facility provider currently enrolled in the Medicaid program and the Medicaid case mix index used to determine each rate.

FY14

Prov. Num.	Facility Name	City	Daily Rate	Medicaid CMI
19928	Village Manor	Abilene	157.99	0.8931
20875	Alma Manor	Alma	166.41	0.9067
11211	Life Care Center of Andover	Andover	156.37	1.0894
21600	Victoria Falls SNF	Andover	185.74	1.0179
19671	Anthony Community Care Center	Anthony	146.53	1.0367
18691	Medicalodges Health Care Center Arkansas City	Arkansas City	166.09	1.0224
19387	Arkansas City Presbyterian Manor	Arkansas City	161.89	0.9438
19244	Arma Care Center	Arma	140.63	1.1704
15157	Ashland Health Center - LTCU	Ashland	169.39	0.9025
10826	Medicalodges Atchison	Atchison	172.62	1.0783
15023	Atchison Senior Village	Atchison	162.19	0.8915
21222	Dooley Center	Atchison	165.18	0.7369
05720	Attica Long Term Care	Attica	161.81	0.9871
26464	Atwood Good Samaritan Center	Atwood	159.59	0.8920
15113	Lake Point Nursing Center	Augusta	145.03	0.9811
15363	Baldwin Care Center	Baldwin City	142.92	1.0452
20919	Quaker Hill Manor	Baxter Springs	120.20	0.9359
05415	Great Plains of Republic County, Inc.	Belleville	174.35	0.9207
18502	Belleville Health Care Center	Belleville	137.31	1.0924
05516	Mitchell County Hospital LTCU	Beloit	173.78	0.8333
11467	Hilltop Lodge Nursing Home	Beloit	153.28	0.9754

20732	Bonner Springs Nursing and Rehab.	Bonner Springs	144.10	0.9912
15462	Hill Top House	Bucklin	159.56	1.0075
26565	Buhler Sunshine Home, Inc.	Buhler	166.81	0.8989
16780	Life Care Center of Burlington	Burlington	145.38	1.0662
20676	Caney Nursing Center	Caney	104.86	0.8700
21132	Eastridge Nursing Home	Centralia	171.82	0.9791
11144	Heritage Health Care Center	Chanute	136.28	1.0363
20146	Chanute Health Care Center	Chanute	158.61	1.0457
20942	Applewood Rehabilitation	Chanute	83.29	0.7766
16845	Chapman Valley Manor	Chapman	142.51	1.0240
16351	Cheney Golden Age Home Inc.	Cheney	148.47	0.9759
21009	Cherryvale Care Center	Cherryvale	134.49	0.9869
19019	Chetopa Manor	Chetopa	126.89	0.9655
18308	The Shepherd's Center	Cimarron	151.47	1.0500
11107	Medicalodges Clay Center	Clay Center	173.06	0.9544
15168	Clay Center Presbyterian Manor	Clay Center	194.21	1.0792
16418	Clearwater Nursing and Rehabilitation	Clearwater	163.37	1.0355
20266	Community Care, Inc.	Clifton	118.53	0.8473
17813	Park Villa Nursing Home	Clyde	132.77	0.8908
05764	Coffeyville Regional Medical Center	Coffeyville	189.52	1.0000
11514	Windsor Place	Coffeyville	147.63	1.0346
15991	Medicalodges Coffeyville	Coffeyville	171.72	1.0135
19917	Windsor Place at Iola, LLC	Coffeyville	165.20	1.1338
19119	Deseret Nursing & Rehab at Colby	Colby	170.68	1.2092
19648	Prairie Senior Living Complex	Colby	183.44	1.0181
25251	Pioneer Lodge	Coldwater	148.00	0.9107
18410	Medicalodges Columbus	Columbus	161.59	0.9305
15226	Mt Joseph Senior Village, LLC	Concordia	131.13	0.9471
21187	Sunset Home, Inc.	Concordia	149.05	1.0033
27217	Spring View Manor	Conway Springs	120.43	0.9077
19872	Golden Living Center-Chase Co.	Cottonwood Falls	135.94	0.9267
20135	Council Grove Healthcare Center	Council Grove	145.32	1.0332
18162	Hilltop Manor	Cunningham	127.89	0.9684
10748	Westview of Derby	Derby	158.86	1.0440
21560	Derby Health and Rehabilitation	Derby	182.05	1.0350
20492	Hillside Village	De Soto	148.56	0.9795
05347	Lane County Hospital - LTCU	Dighton	171.07	0.9529
11378	Trinity Manor	Dodge City	156.07	1.0323
17385	Dodge City Good Samaritan Center	Dodge City	155.10	0.9929
21143	Manor of the Plains	Dodge City	162.64	1.0073
20838	Medicalodges Douglass	Douglass	164.16	0.9216
10995	Golden Living Center-Downs	Downs	134.72	0.9253
19153	Country Care Home	Easton	144.25	0.9467
20614	Golden Living Center-Parkway	Edwardsville	150.87	1.0313
20625	Golden Living Center-Kaw River	Edwardsville	170.03	1.0618
20636	Golden Living Center-Edwardsville	Edwardsville	131.81	0.7960
10782	Lakepoint Nursing Center-El Dorado	El Dorado	142.70	1.0833
19907	Golden Living Center-El Dorado	El Dorado	140.61	1.0480
05696	Morton County Hospital	Elkhart	149.91	0.9903
19635	Woodhaven Care Center	Ellinwood	144.63	1.0583
25485	Ellis Good Samaritan Center	Ellis	162.12	0.9953
15416	Good Sam Society-Ellsworth Village	Ellsworth	160.45	1.0466
11232	Emporia Presbyterian Manor	Emporia	180.75	1.0379
11367	Holiday Resort	Emporia	133.81	0.9063
20175	Flint Hills Care Center, Inc.	Emporia	120.95	0.9705
17791	Enterprise Estates Nursing Center, Inc.	Enterprise	132.76	0.9689
20715	Golden Living Center-Eskridge	Eskridge	112.27	0.7674
17781	Medicalodges of Eudora	Eudora	151.06	0.9847
18927	Eureka Nursing Center	Eureka	144.60	1.0317
21570	Kansas Soldiers' Home	Fort Dodge	170.36	1.0228
15045	Medicalodges Fort Scott	Fort Scott	165.61	1.0154
20446	Fort Scott Manor	Fort Scott	135.21	0.9962
17857	Fowler Residential Care	Fowler	179.12	1.0375
27555	Frankfort Community Care Home, Inc.	Frankfort	134.08	0.8957
20581	Golden Living Center-Fredonia	Fredonia	136.38	0.9904
15304	Sunset Manor, Inc	Frontenac	132.06	1.0002
17915	Emerald Pointe Health & Rehab Centre	Galena	129.86	0.9308
20930	Galena Nursing & Rehab Center	Galena	142.13	1.0774
11345	Garden Valley Retirement Village	Garden City	160.34	1.0229
15430	Homestead Health & Rehab	Garden City	160.41	0.9395
05712	Meadowbrook Rehab Hosp., LTCU	Gardner	193.06	1.0389
19579	Medicalodges Gardner	Gardner	155.30	0.9751
05808	Anderson County Hospital	Garnett	171.40	0.8956
21053	Golden Heights Living Center	Garnett	154.48	0.9742

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15315	The Heritage	Girard	121.31	0.9529	20854	McPherson Care Center	McPherson	133.96	1.1410
15214	The Nicol Home, Inc.	Glasco	128.45	0.7908	25935	The Cedars, Inc.	McPherson	168.93	0.9102
11197	Medicalodges Goddard	Goddard	172.42	0.9968	25982	Meade District Hospital, LTCU	Meade	189.54	0.9079
05595	Bethesda Home	Goessel	176.29	0.9739	10805	Trinity Nursing & Rehab Center	Merriam	168.72	1.0630
17295	Goodland Sherman Co Good Samaritan	Goodland	171.69	1.1067	05191	Great Plains of Ottawa County, Inc.	Minneapolis	155.74	1.1750
10714	Cherry Village Benevolence	Great Bend	132.94	0.8583	17734	Good Samaritan Society-Minneapolis	Minneapolis	145.02	0.9592
16837	Great Bend Health & Rehab Center	Great Bend	147.59	1.0109	18274	Minneola District Hospital-LTCU	Minneola	193.40	1.0921
11029	Halstead Health and Rehab Center	Halstead	150.89	0.9797	15528	Bethel Home, Inc.	Montezuma	158.64	0.9472
20121	Haviland Care Center	Haviland	99.42	0.7717	20085	Moran Manor	Moran	127.91	1.0842
17486	Good Samaritan Society-Hays	Hays	145.15	0.9458	15901	Pine Village	Moundridge	177.80	1.0392
21640	Via Christi Village - Hays	Hays	153.58	0.9562	18140	Moundridge Manor, Inc.	Moundridge	153.86	0.8713
11089	Haysville Healthcare Center	Haysville	152.75	0.9484	17565	Mt. Hope Nursing Center	Mt. Hope	136.88	0.9025
15348	Medicalodges Herington	Herington	135.43	0.8924	18230	Villa Maria, Inc.	Mulvane	146.94	0.9850
16902	Schwalter Villa	Hesston	190.84	0.9889	20605	Golden Living Center-Neodesha	Neodesha	134.19	0.9511
21032	Maple Heights of Hiawatha	Hiawatha	133.88	0.9433	05630	Ness County Hospital Dist. #2	Ness City	162.12	0.8741
19334	Highland Care Center	Highland	142.62	1.0838	10062	Asbury Park	Newton	176.90	0.9709
25531	Dawson Place, Inc.	Hill City	160.23	0.9533	15574	Kansas Christian Home	Newton	167.32	1.0197
05426	Salem Home	Hillsboro	166.85	0.9600	15585	Newton Presbyterian Manor	Newton	193.25	1.0500
17690	Parkside Homes, Inc.	Hillsboro	159.39	1.0606	10051	Bethel Care Center	North Newton	164.82	0.9352
17835	Medicalodges Jackson County	Holton	149.09	0.9203	16103	Anbe Home, Inc.	Norton	154.11	0.9603
10602	Tri County Manor Living Center, Inc.	Horton	121.54	0.9604	15619	Village Villa	Nortonville	132.97	0.9929
15394	Howard Twilight Manor	Howard	151.63	1.0480	19683	Logan County Manor	Oakley	184.78	0.9881
05281	Sheridan County Hospital	Hoxie	159.51	0.9313	05562	Decatur County Hospital	Oberlin	153.69	0.8325
11018	Pioneer Manor	Hugoton	174.72	0.8150	25395	Good Samaritan Society-Decatur Co.	Oberlin	139.77	0.8344
11077	Golden Plains Rehabilitation Center	Hutchinson	148.44	1.0432	10668	Villa St. Francis	Olathe	171.66	0.9895
17148	Good Sam Society-Hutchinson Village	Hutchinson	166.85	0.9513	10920	Pinnacle Ridge Nursing and Rehabil	Olathe	150.92	1.0156
19595	Hutchinson Care Center	Hutchinson	143.63	1.0659	11245	Royal Terrace Nrsg. & Rehab. Center	Olathe	148.13	0.0000
21154	Wesley Towers	Hutchinson	190.01	1.0043	15653	Good Samaritan Society-Olathe	Olathe	166.36	0.9147
21176	Ray E. Dillon Living Center	Hutchinson	186.49	0.9983	21109	Evergreen Community of Johnson County	Olathe	195.74	1.0716
11447	Regal Estate	Independence	130.98	1.0176	21460	Aberdeen Village, Inc.	Olathe	187.26	0.9705
19300	Montgomery Place Nursing Center, LLC	Independence	147.91	0.9850	26422	Deseret Nursing & Rehab at Onaga	Onaga	132.01	1.1496
25913	Pleasant View Home	Inman	155.32	0.8773	18206	Peterson Health Care, Inc.	Osage City	130.06	0.9713
15002	Iola Nursing Center	Iola	144.20	0.9807	27578	Osage Nursing & Rehab Center	Osage City	161.33	1.2080
05066	Hodgeman Co Health Center-LTCU	Jetmore	179.14	0.9757	10973	Life Care Center of Osawatomie	Osawatomie	160.52	1.1343
05674	Stanton County Hospital- LTCU	Johnson	177.78	0.9430	17521	Parkview Care Center	Osborne	129.66	0.9057
10480	Valley View Senior Life	Junction City	158.52	0.9776	20301	Hickory Pointe Care & Rehab Ctr	Oskaloosa	159.05	0.9884
10591	Medicalodges Post Acute Care Center	Kansas City	175.21	1.1153	18402	Deseret Nursing & Rehab at Oswego	Oswego	123.13	1.0773
11030	Kansas City Presbyterian Manor	Kansas City	180.77	0.9597	20467	Ottawa Retirement Village	Ottawa	133.60	0.9797
16654	Medicalodges Kansas City	Kansas City	167.07	0.9970	11121	Brookside Manor	Overbrook	141.60	0.9736
20377	Lifecare Center of Kansas City	Kansas City	164.43	1.1534	11300	Garden Terrace at Overland Park	Overland Park	156.12	1.0436
20244	Deseret Nursing & Rehab at Kensington	Kensington	131.17	1.1358	11335	Indian Meadows Healthcare Center	Overland Park	211.38	1.6100
21121	The Wheatlands	Kingman	148.00	1.0317	11412	Manorcare Health Services of Overland	Overland Park	176.39	1.0362
18432	Medicalodges Kinsley	Kinsley	187.97	0.9722	11423	Villa Saint Joseph	Overland Park	191.61	1.0196
20806	Kiowa Hospital District Manor	Kiowa	160.51	0.8664	11478	Delmar Gardens of Overland Park	Overland Park	172.69	0.9793
05246	Rush Co. Memorial Hospital	La Crosse	159.42	0.9433	21200	Overland Park Nursing & Rehab	Overland Park	171.23	1.0570
18757	Locust Grove Village	Lacrosse	153.43	0.9217	21251	Indian Creek Healthcare Center	Overland Park	179.36	1.1173
20232	High Plains Retirement Village	Lakin	190.81	1.0489	21430	Village Shalom, Inc.	Overland Park	187.47	0.9960
20197	Golden Living Center-Lansing	Lansing	161.08	1.1710	16553	Riverview Manor, Inc.	Oxford	113.48	0.8430
21680	Twin Oaks Health and Rehab	Lansing	190.76	0.0000	18713	Medicalodges Paola	Paola	112.22	0.6557
20450	Larned Healthcare Center	Larned	147.20	0.9881	20298	North Point Skilled Nursing Center	Paola	154.90	1.1235
11175	Lawrence Presbyterian Manor	Lawrence	169.17	0.8871	18322	Elmhaven East	Parsons	124.94	0.9642
11391	Brandon Woods at Alvarmar	Lawrence	174.20	1.0028	18792	Elmhaven West	Parsons	128.95	0.8911
21450	Pioneer Ridge Retirement Community	Lawrence	168.66	1.0144	18871	Parsons Presbyterian Manor	Parsons	173.69	1.0306
11096	Medicalodges Leavenworth	Leavenworth	166.43	0.9626	25733	Good Samaritan Society-Parsons	Parsons	148.28	0.9920
11355	Delmar Gardens of Lenexa	Lenexa	142.12	0.9473	10097	Peabody Care Center, LLC	Peabody	159.28	1.0339
21470	Lakeview Village	Lenexa	199.83	1.1204	20753	Westview Manor of Peabody	Peabody	83.99	0.6338
16261	Leonardville Nursing Home	Leonardville	128.53	0.9565	21045	Phillips County Retirement Center	Phillipsburg	131.25	0.9373
05786	Wichita County Health Center	Leoti	166.40	0.8500	10433	Medicalodges Pittsburg South	Pittsburg	166.40	1.0060
17508	Liberal Good Samaritan Center	Liberal	163.58	1.0882	20749	Golden Living Center-Pittsburg	Pittsburg	136.08	1.0078
21510	Wheatridge Park Care Center	Liberal	167.78	0.9995	21520	Via Christi Village Pittsburg, Inc	Pittsburg	149.88	0.9688
17577	Lincoln Park Manor, Inc.	Lincoln	138.55	0.9360	26666	Rooks County Senior Services, Inc.	Plainville	168.59	0.9938
15890	Bethany Home Association	Lindsborg	169.95	0.8944	05775	Pratt Regional Medical Center	Pratt	192.84	1.1485
17352	Linn Community Nursing Home	Linn	126.23	0.8889	20029	Deseret Health & Rehab at Pratt LLC	Pratt	152.21	1.1083
27566	Sandstone Heights	Little River	198.65	1.2650	17464	Prescott Country View Nursing Center	Prescott	123.15	0.9262
17328	Logan Manor Community Health Service	Logan	171.49	0.9291	21440	Prairie Sunset Manor	Pretty Prairie	150.12	0.8420
20096	Louisburg Care Center	Louisburg	149.74	1.0885	17587	Protection Valley Manor	Protection	128.59	0.8632
17497	Good Samaritan Society-Lyons	Lyons	146.78	0.8500	05044	Gove County Medical Center	Quinter	182.76	0.9330
10894	Meadowlark Hills Retirement Community	Manhattan	191.44	1.0056	05617	Grisell Memorial Hosp Dist #1-LTCU	Ransom	166.39	0.9117
11491	Stoneybrook Retirement Community	Manhattan	178.99	1.1170	15485	Richmond Healthcare and Rehabilitation	Richmond	154.79	1.0123
21530	Via Christi Village Manhattan, Inc	Manhattan	156.09	0.9582	20696	Fountainview Nursing and Rehab Center	Rose Hill	152.07	1.0974
05088	Jewell County Hospital	Mankato	162.34	0.8333	18445	Rossville Healthcare & Rehab Center	Rossville	143.62	1.0166
05156	St. Luke Living Center	Marion	142.22	0.8787					
18037	Riverview Estates, Inc.	Marquette	157.08	0.9608					
21162	Cambridge Place	Marquette	138.16	0.9758					

20772	Wheatland Nursing & Rehab Center	Russell	149.01	1.0833	11322	Manorcare Health Services of Wichita	Wichita	170.49	1.1966
21480	Russell Regional Hospital	Russell	185.49	0.9757	11504	College Hill Nursing and Rehab Center	Wichita	145.45	0.8775
19782	Sabetha Nursing Center	Sabetha	145.63	1.0094	18583	Deseret Health & Rehab at Seville LLC	Wichita	159.51	1.0851
26238	Apostolic Christian Home	Sabetha	136.77	0.9494	18591	Golden Living Center-Wichita	Wichita	145.99	0.8898
10774	Smokey Hill Rehabilitation Center	Salina	136.88	0.9510	21233	The Health Care Center @ Larksfield Pl	Wichita	186.57	1.2800
10952	Kenwood View Nursing Center	Salina	145.11	1.0675	21360	Life Care Center of Wichita	Wichita	157.87	1.0940
11186	Windsor Estates	Salina	142.08	0.9456	21541	Via Christi Hope	Wichita	137.37	1.0079
11459	Pinnacle Park Nursing and Rehabilitation	Salina	124.46	0.8834	21550	Family Health & Rehabilitation Center	Wichita	176.63	1.1100
11480	Salina Presbyterian Manor	Salina	174.25	0.9420	21620	Caritas Center	Wichita	163.88	0.7933
21382	Holiday Resort of Salina	Salina	156.93	1.0359	21650	Regent Park Rehabilitation and Healthcare	Wichita	202.82	1.2075
05685	Satanta Dist. Hosp. LTCU	Satanta	178.13	0.9578	21670	Avita Health & Rehab at Reeds Cove	Wichita	192.51	0.0000
16338	Park Lane Nursing Home	Scott City	162.71	0.8622	20660	Golden Living Center-Wilson	Wilson	147.94	1.1700
19545	Pleasant Valley Manor	Sedan	120.20	0.9333	05584	Jefferson Co. Memorial Hospital-LTCU	Winchester	155.08	0.9437
19707	Sedgwick Healthcare Center	Sedgwick	172.14	1.0125	16812	Winfield Good Samaritan Center	Winfield	152.66	0.9881
16037	Crestview Manor	Seneca	118.60	1.0233	21350	Cumbernauld Village, Inc.	Winfield	165.09	0.8233
18253	Life Care Center of Seneca	Seneca	132.81	0.9643	21410	Winfield Rest Haven II LLC	Winfield	161.84	0.9430
21630	Wallace County Community Center	Sharon Springs	142.34	0.9177	21580	Kansas Veterans' Home	Winfield	161.85	0.9419
15384	Shawnee Gardens Nursing Center	Shawnee	148.94	1.1648	20335	Deseret Health & Rehab at Yates Center	Yates Center	137.48	1.0729
21190	Sharon Lane Health Services	Shawnee	143.89	0.9684					
05505	Smith County Memorial Hospital LTCU	Smith Center	173.16	0.9427					
18153	Deseret Nursing & Rehab at Smith Center	Smith Center	135.83	1.1685					
18138	Mennonite Friendship Manor, Inc.	South Hutchinson	181.98	1.0270					
20650	Golden Living Center-Spring Hill	Spring Hill	166.67	1.1023					
25204	St Francis Good Samaritan Village	St. Francis	159.44	0.9633					
19884	Leisure Homestead at St. John	St. John	144.38	0.9152					
19467	Community Hospital of Onaga, LTCU	St. Marys	172.36	0.9248					
21240	Prairie Mission Retirement Village	St. Paul	143.85	1.0186					
17655	Leisure Homestead at Stafford	Stafford	136.73	1.0475					
26622	Sterling Presbyterian Manor	Sterling	172.00	0.8482					
20222	Solomon Valley Manor	Stockton	158.43	0.9695					
05641	Seasons of Life Living Center	Syracuse	171.76	0.8682					
11154	Tonganoxie Nursing Center	Tonganoxie	159.19	1.1145					
10310	Brewster Health Center	Topeka	176.67	0.8906					
10343	Topeka Presbyterian Manor Inc.	Topeka	187.62	1.0067					
10916	Eventide Convalescent Center, Inc.	Topeka	126.11	0.8626					
11201	Topeka Community Healthcare Center	Topeka	154.66	0.9942					
11254	McCrite Plaza Health Center	Topeka	159.67	0.9727					
11276	Rolling Hills Health Center	Topeka	180.29	1.0771					
11388	Manorcare Health Services of Topeka	Topeka	161.61	1.0320					
19346	Westwood Manor	Topeka	145.30	1.0255					
19445	Brighton Place West	Topeka	102.65	0.7000					
19692	Countryside Health Center	Topeka	122.01	0.7920					
20557	Providence Living Center	Topeka	95.78	0.7200					
20963	Brighton Place North	Topeka	90.52	0.6658					
21110	Aldersgate Village	Topeka	187.48	1.0440					
21211	Plaza West Care Center, Inc.	Topeka	178.73	1.0496					
21420	Lexington Park Nursing and Post Acute	Topeka	181.21	1.0600					
21610	Washburn Community Care Center, LLC	Topeka	147.85	0.9045					
18772	Greeley County Hospital, LTCU	Tribune	173.48	0.9293					
21590	The Legacy at Park View	Ulysses	182.96	0.9960					
18465	Valley Health Care Center	Valley Falls	126.64	0.6478					
05292	Trego Co. Lemke Memorial LTCU	WaKeeney	184.92	0.9813					
20865	Trego Manor	WaKeeney	149.34	0.8733					
20704	Golden Living Center-Wakefield	Wakefield	155.47	0.9458					
26442	Wamego Valley Vista Good Samaritan	Wamego	165.87	0.9990					
16597	The Centennial Homestead, Inc.	Washington	125.26	0.9155					
20186	Wathena Nursing & Rehab Center	Wathena	162.51	1.1663					
20076	Coffey County Hospital	Waverly	163.96	0.8452					
19863	Golden Living Center-Wellington	Wellington	130.01	0.9033					
20368	Sumner County Care Center	Wellington	135.45	1.0996					
20392	Westville Manor	Westville	140.33	1.0259					
17767	Westy Community Care Home	Westmoreland	136.04	0.9909					
10578	Wheat State Manor	Whitewater	161.08	0.9259					
10141	Medicalodges Wichita	Wichita	177.39	1.1080					
10613	Meridian Nursing & Rehab Center	Wichita	131.58	0.9623					
10646	Catholic Care Center Inc.	Wichita	173.20	0.9866					
10670	Kansas Masonic Home	Wichita	175.62	1.0390					
10736	Homestead Health Center, Inc.	Wichita	180.46	0.9981					
10853	Deseret Healthcare and Rehab at Woodlawn	Wichita	136.33	1.1180					
11052	Wichita Presbyterian Manor	Wichita	183.61	1.0100					
11266	Sandpiper Healthcare and Rehab Center	Wichita	144.58	1.0083					
11313	Lakepoint Nursing and Rehabilitation	Wichita	152.56	0.9505					

III. Justifications for the Proposed Rates

- The proposed rates are calculated according to the rate-setting methodology in the Kansas Medicaid State Plan and pending amendments thereto.
- The proposed rates are calculated according to a methodology which satisfies the requirements of K.S.A. 39-708c(x) and the DHCF regulations in K.A.R. Article 129-10 implementing that statute and applicable federal law.
- The state's analyses project that the proposed rates:
 - Would result in payment, in the aggregate of 92.22% of the Medicaid day weighted average inflated allowable nursing facility costs statewide; and
 - Would result in a maximum allowable rate of \$185.69; with the total average allowable cost being \$154.28.
 - Estimated average rate July 1, 2013 \$150.47
 - Average payment rate July 1, 2012 \$150.47
 Amount of change \$3.81
 Percent of change 2.51%
- Estimated annual aggregate expenditures in the Medicaid nursing facility services payment program will increase approximately \$12.95 million.
- The state estimates that the proposed rates will 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 in the geographic area. The state's analyses indicate:
 - Service providers operating a total of 320 nursing facilities (representing 93% of all the licensed nursing facilities in Kansas) participate in the Medicaid program, while an additional 34 hospital-based long-term care units are also certified to participate in the Medicaid program;
 - 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 105 of the 105 counties in Kansas;
 - The statewide average occupancy rate for nursing facilities participating in Medicaid is 83.61%;

(continued)

- d. The statewide average Medicaid occupancy rate for participating facilities is 56.44%; and
 - e. The proposed rates would cover 92.27% of the estimated Medicaid direct 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 will 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, the justifications for the proposed rates, and the intent to amend the Medicaid State Plan. Persons and organizations wishing to submit comments must mail, deliver, or fax their signed, written comments before the close of business on Friday, May 24, 2013, to:

Rhonda Boose
Nursing Facility Reimbursement Manager
Kansas Department for Aging and Disability Services
New England Building
503 S. Kansas Ave.
Topeka, KS 66603-3404
Fax: 785-296-0256

V. Notice of Intent to Amend the Medicaid State Plan

The state intends to submit proposed Medicaid State Plan amendments to CMS on or before September 30, 2013.

Shawn Sullivan
Secretary for Aging and Disability Services

Kari Bruffet
Executive Director
Division of Health Care Finance

Doc. No. 041511

State of Kansas

Wildlife, Parks and Tourism Commission

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted by the Wildlife, Parks and Tourism Commission at 7 p.m. Thursday, June 27, at the Finnup Center for Conservation Education, Lee Richardson Zoo, 312 E. Finnup Drive, Garden City, to consider the approval and adoption of proposed regulations of the Kansas Department of Wildlife, Parks and Tourism.

A general discussion and workshop meeting on business of the Wildlife, Parks and Tourism Commission will begin at 1:30 p.m. June 27 at the location listed above. The meeting will recess at approximately 5:30 p.m., then resume at 7 p.m. at the same location for the regulatory hearing and more business. There will be public comment periods at the beginning of the afternoon and evening meeting for any issues not on the agenda, and additional comment periods will be available during the meeting on

agenda items. Old and new business also may be discussed at this time. If necessary to complete business matters, the commission will reconvene at 9 a.m. June 28 at the same location.

Any individual with a disability may request accommodation in order to participate in the public meeting and may request the meeting materials in an accessible format. Requests for accommodation should be made at least five working days in advance of the meeting by contacting Sheila Kemmis, commission secretary, at 620-672-5911. Persons with a hearing impairment may call the Kansas Commission for the Deaf and Hard of Hearing at 800-432-0698 to request special accommodations.

This 60-day notice period prior to the hearing constitutes a public comment period for the purpose of receiving written public comments on the proposed administrative regulations. All interested parties may submit written comments prior to the hearing to the chairman of the commission, Kansas Department of Wildlife, Parks and Tourism, 1020 S. Kansas Ave., Suite 200, Topeka, 66612, or to sheila.kemmis@ksoutdoors.com if electronically. All interested parties will be given a reasonable opportunity at the hearing to express their views orally in regard to the adoption of the proposed regulations. During the hearing, all written and oral comments submitted by interested parties will be considered by the commission as a basis for approving, amending and approving, or rejecting the proposed regulations.

The regulations that will be heard during the regulatory hearing portion of the meeting are as follows:

K.A.R. 110-12-1. This permanent regulation establishes definitions for the purposes of the agritourism regulations. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 110-12-2. This permanent regulation establishes registration requirements for the purposes of the agritourism regulations. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 110-12-3. This permanent regulation establishes costs qualifying for tax credits for the purposes of the agritourism regulations. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 110-12-4. This permanent regulation establishes tax credits for the purposes of the agritourism regula-

tions. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 110-12-5. This permanent regulation establishes requirements for new registrations for the purposes of the agritourism regulations. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 110-12-6. This permanent regulation establishes mandatory contractual provisions for the purposes of the agritourism regulations. The regulation is proposed for revocation as a result of ERO 36 and transferring authority from the Department of Commerce to the Department of Wildlife, Parks and Tourism.

Economic Impact Summary: The proposed revocation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-40-1. This new permanent regulation establishes definitions for the purposes of the agritourism regulations. The regulation is proposed for transfer from the Department of Commerce to the Department of Wildlife, Parks and Tourism as a result of ERO 36.

Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

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Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

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Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-40-4. This new permanent regulation establishes tax credits for the purposes of the agritourism regulations. The regulation is proposed for transfer from the Department of Commerce to the Department of Wildlife, Parks and Tourism as a result of ERO 36.

Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

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Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-40-6. This new permanent regulation establishes mandatory contractual provisions for the purposes of the agritourism regulations. The regulation is proposed for transfer from the Department of Commerce to the Department of Wildlife, Parks and Tourism as a result of ERO 36.

Economic Impact Summary: The proposed regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-5-1. This permanent regulation sets legal equipment, taking methods and general provisions for furbearers and coyotes. The proposed amendments would clarify that all types of foothold traps could be used in water sets, restrict the use of radios and vehicles during the regular firearms deer season, and remove trademarked language from the regulation.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-5-2. This permanent regulation sets possession, disposal and general provisions for furbearers and coyotes. The proposed amendments to the regulation would require tagging by the department of all bobcats, otters and swift fox taken in Kansas, remove provisions related to tagging deadlines for otters and change requirements for biological data collection for otters.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-6-1. This permanent regulation sets application, authority, possession of furs, records and revocation for a fur dealer license. The proposed amendments would add otters to the list of furbearers that must be tagged when purchased by fur dealers and add provisions related to revocation of licenses.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-16-5. This permanent regulation sets operational requirements for wildlife control permits. The proposed amendments would allow the use of an individual's KDWPT number for marking trapping equipment and require nuisance otters to be tagged after take.

(continued)

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-25-11. This exempt regulation sets open season and bag limits for furbearers. This version of the regulation differs from previous versions in that it allows for incidental take of muskrats during the beaver trapping season when other seasons are closed and removes a statewide quota on otter harvest.

Economic Impact Summary: The proposed version of the regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-8-1. This permanent regulation sets hunting, furharvesting and discharge of firearms requirements on department lands and waters. The amendment is an update to the reference document, particularly related to the use of lead shot on specially marked dove fields during the dove season.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-8-2. This permanent regulation establishes certain requirements for blinds, tree stands and decoys on public lands. The proposed amendments would remove references to tree stands as the word stand is more all encompassing.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-8-23. This permanent regulation establishes restrictions on the use of bait while hunting on department lands. The proposed amendments would better define baiting, particularly allowing manipulation of crops on KDWPPT property for dove hunting.

Economic Impact Summary: The proposed amendments are not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

K.A.R. 115-25-9a. This exempt regulation establishes additional considerations for the 2013-2014 firearm, muzzleloader and archery deer seasons. The main items in the regulation set the deer seasons on Fort Riley in order to better accommodate the changing training mission at Fort Riley. The regulation would also require all persons hunting for big game and wild turkeys with a crossbow to obtain a free crossbow permit prior to hunting in order to obtain survey data for harvest, similar to last season.

Economic Impact Summary: The proposed version of the regulation is not anticipated to have any appreciable negative economic impact on the department, other agencies, small businesses or the public.

Copies of the complete text of the regulations and their respective economic impact statements may be obtained by writing the chairman of the commission at the address above, electronically on the department's website at www.kdwpt.state.ks.us, or by calling 785-296-2281.

Gerald Lauber
Chairman

State of Kansas

Department of Commerce

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted at 2:30 p.m. Tuesday, July 9, in Conference Room B, Kansas Department of Commerce, Suite 100, Curtis State Office Building, 1000 S.W. Jackson, Topeka, to review the revocation of regulations K.A.R. 110-6-1 through 110-6-7 and to review new regulations K.A.R. 110-6-8 through 110-6-12 relating to the High Performance Incentive Program Act, K.S.A. 74-50,131 et seq.

This 60-day notice of the public hearing shall constitute a public comment period for submitting written public comments on the proposed regulations. The public is invited to submit written comments concerning the High Performance Incentive program regulations to the Kansas Department of Commerce, prior to the public hearing, by email at legal@kansascommerce.com or by mail to Pat George, Secretary of Commerce, Suite 100, Curtis State Office Building, 1000 S.W. Jackson, Topeka, 66612-1354. The public shall be given a reasonable opportunity to present their views orally on these regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes. All public comments submitted during this period will be made part of the regulation's written record.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the regulations and economic impact statements in an accessible format. Requests for accommodation should be made at least 10 working days in advance of the hearing by contacting John Christopher Pryor, Kansas Department of Commerce, Suite 100, Curtis State Office Building, 1000 S.W. Jackson, Topeka, 66612-1354, or 785-296-7874. Handicapped parking is not available around the Curtis State Office Building; however, all persons in a vehicle with a handicapped license plate may park in any metered space around the building, and there is no charge for parking. The curbs and all entrances on Jackson Street, 10th Street and Kansas Avenue to the Curtis State Office Building are accessible to individuals with disabilities.

Copies of the regulations and economic impact statements may be accessed at <http://www.kansascommerce.com/AboutUs/CommerceRegulations>. A summary of the regulations and economic impact follows:

K.A.R. 110-6-1 through 110-6-7. These regulations are revoked and replaced with new regulations K.A.R. 110-6-8 through 110-6-12.

K.A.R. 110-6-8. Definitions used to administer the HPIP Act.

K.A.R. 110-6-9. Application. This regulation describes the timing and forms to use for HPIP application submission.

K.A.R. 110-6-10. Certification of a worksite. This regulation explains the requirements for HPIP certification.

K.A.R. 110-6-11. Certification period (CP). This regulation describes how the certification period may be es-

tablished based upon the type of worksite and employee history in Kansas.

K.A.R 110-6-12. Training and education requirement. This regulation explains how the HPIP training requirement can be satisfied through participation in one of the Department of Commerce's workforce training programs or, alternatively, through being able to document eligible training expenditures equal to at least 2 percent of total payroll during the measurement period.

Federal requirements. The HPIP program does not have any federal requirements. It is a Kansas income tax credit program and is managed and regulated at the state level.

Anticipated economic impact upon governmental entities, private businesses or individuals and the Kansas Department of Commerce. It is estimated that the HPIP program will process approximately 300 project description forms and 225 applications for HPIP certification in FY 2013. The program is currently being administered by the program manager and one assistant program manager whose time is divided between HPIP and another program. The department does not anticipate the need to hire additional employees or incur any other additional expenses.

The purpose of HPIP is to incentivize major capital intensive investment leaning heavily towards the manufacturing sector. Although HPIP does not have a job creation requirement, job creation is the natural byproduct of large capital investments. Therefore, since HPIP does produce and retain jobs (by increasing capital investment), a broader business climate is created in Kansas, which produces a short- and long-term positive impact to local governments and businesses across the state.

There would be no negative impact on other entities or persons. There would be a positive impact on state and local tax revenues and unemployment by broadening the business climate through increased capital investment, which will produce additional and higher paying jobs.

Pat George
Secretary of Commerce

Doc. No. 041499

State of Kansas

Department of Revenue Division of Alcoholic Beverage Control

Permanent Administrative Regulations

Article 13.—RETAIL LIQUOR DEALER

14-13-16. Tasting events; requirements; prohibitions. Any retailer may provide free samples of alcoholic liquor offered for sale by the retailer to members of the general public on the retailer's licensed premises and at adjacent premises as approved by the director.

(a) No retailer shall receive payment from any person, either directly or indirectly, to conduct a tasting event.

(b)(1) Each container of alcoholic liquor to be sampled shall be removed from the retailer's inventory.

(2) The retailer shall clearly mark each container of alcoholic liquor removed from inventory for sampling as

reserved for samples only. The marking shall not obscure the label of the alcoholic liquor container.

(c) No samples of alcoholic liquor may be served on a retailer's licensed premises or on adjacent premises at any time other than those hours and days during which the retailer may sell alcoholic liquor, pursuant to K.S.A. 41-712 and amendments thereto.

(d) Except as specifically allowed by this subsection, no employee of the retailer who is on duty may consume alcoholic liquor during the tasting event.

The owner or manager of a retail premises may consume wine from an original container sufficient to verify that the wine has not deteriorated in quality or has otherwise become unfit for human consumption.

(e) The director, or any agent or employee of the director, shall be granted immediate entry to and inspection of any adjacent premises used for tasting events at any time the adjacent premises are occupied. Failure to grant immediate entry shall be grounds for revocation of the retailer's license.

(f) Except as specifically allowed in this subsection, no retailer may provide any food, service, or other thing of value other than samples of alcoholic liquor at any tasting event.

(1) Any retailer conducting a tasting event on the licensed premises may provide cups, napkins, and mixers.

(2) Any retailer conducting a tasting event on adjacent premises may provide cups, napkins, food, mixers, and other similar items.

(g) A licensed distributor or its agent, employee, or representative shall not purchase alcoholic liquor for tasting, pour samples, or provide any supplies or things of value, except that an agent, employee, or representative of a distributor may provide education on the product or products being sampled.

(h)(1) Any partially used container of alcoholic liquor removed from the licensed premises for tasting at adjacent premises shall be disposed of or returned to the licensed premises before the retailer's close of business on the same date the container was removed.

(2) Each retailer shall perform one of the following for each partially used container of alcoholic liquor used for sampling:

(A) Dispose of the container;

(B) store the container on the licensed premises in a secured, locked storage area, separate from containers of alcoholic liquor available for purchase; or

(C) secure the container with a tamperproof seal around the opening of the container.

(i) Each retailer engaged in tasting events shall keep, for at least three years, records of all alcoholic liquor removed from inventory for the tasting events. These records shall be available for inspection by the director, any agent or employee of the director, or the secretary, upon request.

(1) Each record required by this regulation shall be maintained on the licensed premises of the retailer for at least 90 days after the date on which the alcoholic liquor was removed from inventory. These records may be maintained in electronic format but shall be capable of being printed immediately upon request.

(continued)

(2) After 90 days, any record required by this regulation may be stored electronically and maintained off the licensed premises. Each record shall be provided in electronic or paper format, upon request. (Authorized by K.S.A. 41-210 and K.S.A. 2012 Supp. 75-5155; implementing K.S.A. 2012 Supp. 41-308d; effective, T-14-6-28-12, July 1, 2012; effective, T-14-10-25-12, Oct. 29, 2012; effective May 10, 2013.)

14-13-17. Tasting events; supplier participation; requirements; prohibitions. Any supplier may participate in a retail tasting event through the supplier's employee or agent. For the purpose of this regulation, "supplier" shall mean any person holding a permit issued pursuant to K.S.A. 41-331, and amendments thereto.

(a) A supplier's "agent" may include a third party contracted for the purpose of conducting the tasting. This term shall not include a licensed distributor or any agent, employee, or representative of a licensed distributor.

(b) For the purpose of participation in tasting events, each licensed distributor who also possesses a Kansas supplier permit shall be limited to providing educational information about the product or products being sampled. A distributor or its agent or employee shall not participate in any other manner in a tasting event.

(c) The supplier shall purchase alcoholic liquor to be sampled at a tasting event from the retailer. For each purchase under this regulation, the retailer shall provide the supplier with a numbered invoice or sales slip that contains the following information:

- (1) The date of purchase;
- (2) the name and license number of the retailer;
- (3) the name and Kansas permit number of the supplier;
- (4) the brand, size, and quantity of all alcoholic liquor purchased; and
- (5) the subtotal of the cost of the alcoholic liquor and the total cost of the purchase, including enforcement tax.

(d) Any supplier may store containers of alcoholic liquor used for sampling at a tasting event on the retailer's licensed premises if all of the following conditions are met:

(1) Each container of alcoholic liquor is clearly marked, in a manner that does not obscure the label, as reserved for samples only.

(2) The container is secured in a locked storage area separate from containers of alcoholic liquor available for purchase or is secured with a tamper-proof seal around the opening of the container.

(3) The container is accompanied by a copy of the invoice provided to the supplier by the retailer.

(e)(1) Any supplier participating in a tasting event on the retailer's licensed premises may provide cups, napkins, and mixers.

(2) Any supplier participating in a tasting event on the retailer's adjacent premises may provide nonalcoholic mixers, cups, napkins, food, and similar items.

(f) Each retailer who sells alcoholic liquor to a supplier participating in a tasting event shall keep a copy of the invoice or sales slip required by this regulation for at least three years. The records required by this subsection shall be available for inspection by the director, any agent or employee of the director, or the secretary, upon request.

(1) Each record required by this regulation shall be maintained on the retailer's licensed premises for at least 90 days after the sale. These records may be maintained in electronic format but shall be capable of being printed immediately upon request.

(2) After 90 days, any record required by this regulation may be stored electronically and maintained off the licensed premises. Each record shall be provided in electronic or paper format, upon request. (Authorized by K.S.A. 41-210 and K.S.A. 2012 Supp. 75-5155; implementing K.S.A. 2012 Supp. 41-308d; effective, T-14-6-28-12, July 1, 2012; effective, T-14-10-25-12, Oct. 29, 2012; effective May 10, 2013.)

14-13-18. Change of ownership; notice to director.

(a) Each retailer intending to transfer ownership in its business association shall report this intent to the director at least 20 days before the intended transfer of ownership if the transfer would result in any person holding a beneficial interest greater than five percent in the business association that is subject to the license.

(b) Each retailer shall notify the director within 10 days after each transfer of ownership specified in subsection (a).

(c) The retailer shall submit the notifications required by subsections (a) and (b) on forms prescribed by the director and shall include all information necessary to determine the continued eligibility of the retailer under K.S.A. 41-311, and amendments thereto. (Authorized by K.S.A. 41-210; implementing K.S.A. 2012 Supp. 41-311; effective May 10, 2013.)

Nick Jordan
Secretary of Revenue

Doc. No. 041485

State of Kansas

Department of Agriculture

**Permanent Administrative
Regulations**

**Article 16.—MEAT AND MEAT
PRODUCTS INSPECTION**

4-16-1a. Definitions. (a) Each of the following terms, as used in the act and in the portions of the code of federal regulations adopted by reference in K.A.R. 4-16-1c, shall have the meaning specified in this subsection:

(1) "The act," "act," and "federal meat inspection act" shall mean K.S.A. 65-6a18 et seq. and amendments thereto.

(2) "Administrator," except as used in 9 C.F.R. 303.1(d)(2)(iii)(b), shall mean the secretary of the department of agriculture or the secretary's designee.

(3) "Beef" shall mean the skeletal muscle of any cattle. Beef shall not include any of the following:

- (A) The muscles of the tongue, heart, or esophagus;
- (B) the muscles found in the lips, muzzle, or ears;
- (C) any portions of bone, including hard bone, bone marrow, and related components; or
- (D) any amount of brain trigeminal ganglia, spinal cord, or dorsal root ganglia (DRG).

(4) "Cheek meat" shall mean meat that is the trimmed cheeks of the carcass of cattle.

(5) "Commerce" shall mean intrastate commerce.

(6) "Egg products inspection act" shall mean the Kansas egg law, K.S.A. 2-2501 et seq. and amendments thereto.

(7) "Federal food, drug and cosmetic act" shall mean the Kansas food, drug and cosmetic act, K.S.A. 65-655 et seq. and amendments thereto.

(8) "Federal inspection" shall mean inspection by the Kansas department of agriculture.

(9) "Food locker plant" shall mean a "slaughter facility" or "processing facility," as defined in K.S.A. 65-6a18 and amendments thereto.

(10) "Form," either by number or by any other designation, shall mean a form supplied by the Kansas department of agriculture.

(11) "Inspected for wholesomeness by U.S. department of agriculture" shall mean inspected and passed by the Kansas department of agriculture.

(12) "Official establishment" and "establishment" shall mean any building or adjacent premises that are registered pursuant to this act, where livestock, as defined in K.S.A. 65-6a18 and amendments thereto, domestic rabbits, meat food products, poultry, or poultry products capable of use as human food are "prepared," as defined by K.S.A. 65-6a18 and amendments thereto.

(13) "Program," "food safety and inspection service," "inspection service," "service," "department," and "FSIS" shall mean the meat and poultry inspection program of the Kansas department of agriculture.

(14) "Secretary," "national supervisor," "area supervisor," "inspection service supervisor," "inspection program supervisor," "circuit supervisor," and "station supervisor" shall mean the secretary of the department of agriculture or the secretary's designee.

(15) "U.S." and "the United States" shall mean Kansas or the state of Kansas, as appropriate.

(16) "U.S. inspected" and "government inspected" shall mean inspected by the Kansas department of agriculture.

(17) "U.S.D.A." and "USDA" shall mean Kansas department of agriculture or KDA, as appropriate.

(b) The phrase "official review and copying" in 9 C.F.R. 417.5(f), as adopted by reference in K.A.R. 4-16-1c, shall mean review and copying by the secretary of the department of agriculture or the secretary's designee. (Authorized by K.S.A. 2011 Supp. 65-6a20, as amended by L. 2012, ch. 145, sec. 29, K.S.A. 65-6a25, K.S.A. 2011 Supp. 65-6a30, and K.S.A. 2011 Supp. 65-6a44; implementing K.S.A. 2011 Supp. 65-6a20, as amended by L. 2012, ch. 145, sec. 29, K.S.A. 65-6a21, K.S.A. 65-6a22, K.S.A. 65-6a23, K.S.A. 65-6a25, and K.S.A. 2011 Supp. 65-6a30; effective May 1, 1982; amended May 1, 1986; amended Jan. 1, 1989; amended Jan. 21, 1991; amended Jan. 25, 1993; amended Dec. 12, 1994; amended Sept. 5, 1997; amended Sept. 1, 2006; amended Dec. 5, 2008; amended May 10, 2013.)

4-16-1c. Adoption by reference. (a) The following portions of title 9 of the code of federal regulations, as revised on January 1, 2012, except as otherwise specified, are hereby adopted by reference:

(1) Part 301, except the following terms and their definitions in section 301.2: "the act," "adulterated," "animal food manufacturer," "label," "labeling," "livestock," "meat broker," "meat food product," "misbranded," "official import inspection established," "person," "pesticide chemical, food additive, color additive, raw agricultural commodity," "prepared," and "territory";

(2) part 302, except section 302.2;

(3) part 303, except sections 303.1(d)(3) and 303.2;

(4)(A) Sections 304.1 and 304.2; and

(B) section 304.3, as amended by 77 fed. reg. 26936 (2012);

(5) parts 305 and 306, except sections 306.1, 306.2, and 306.3;

(6)(A) Sections 307.1 through 307.3;

(B) section 307.4, as amended by 77 fed. reg. 59294 (2012); and

(C) section 307.7;

(7) part 309;

(8) part 310;

(9) part 311;

(10) part 312, except section 312.8;

(11) parts 313 through 316;

(12) part 317, except sections 317.7 and 317.369;

(13) part 318, except section 318.8;

(14) part 319;

(15) part 320, except section 320.5(a);

(16) part 325, except section 325.3;

(17) part 329;

(18) part 352, except sections 352.1 (e), (f), (g), (j), (k), and (l), 352.4, 352.8, 352.10(a), 352.11(b), 352.17, and 352.18;

(19)(A) Section 354.1, except subparagraphs (a), (n), and (w);

(B) section 354.2;

(C) sections 354.10 through 354.14;

(D) sections 354.23 through 354.24;

(E) sections 354.26 through 354.30;

(F) sections 354.46 through 354.49;

(G) sections 354.53 through 354.92;

(H) sections 354.120 through 354.133; and

(I) sections 354.160 through 354.247;

(20)(A) Section 381.1, except the following terms and their definitions in subsection (b): "act," "adulterated," "animal food manufacturer," "label," "labeling," "misbranded," "pesticide chemical, food additive, color additive, raw agricultural commodity," "poultry products broker," "territory," and "U.S. refused entry";

(B) sections 381.3 through 381.7, except 381.5;

(C) sections 381.10 through 381.21;

(D) section 381.22, as amended by 77 fed. reg. 26936 (2012);

(E) sections 381.23 through 381.36;

(F) section 381.37, as amended by 77 fed. reg. 59294 (2012);

(G) sections 381.65 through 381.103, except 381.96;

(H) sections 381.108 through 381.182;

(I) sections 381.189 through 381.194;

(J) sections 381.210 through 381.217, except section 381.216; and

(continued)

(K) sections 381.300 through 381.500, except section 381.469;

(21) part 416;

(22)(A) Sections 417.1 through 417.3;

(B) section 417.4, as amended by 77 fed. reg. 26936 (2012); and

(C) sections 417.5 through 417.8;

(23) part 418, as added in 77 fed. reg. 26936 (2012); and

(24) parts 424, 430, 439, 441, 442, and 500.

(b) The "food standards and labeling policy book," as published by the office of policy, program and employee development of the USDA food safety and inspection service and revised for web publication in August 2005, is hereby adopted by reference. This document shall apply to meat and poultry products.

(c) Copies of the adopted material or the pertinent portions shall be available from the meat and poultry inspection program of the department of agriculture, Topeka, Kansas. (Authorized by K.S.A. 2011 Supp. 65-6a20, as amended by L. 2012, ch. 145, sec. 29, K.S.A. 65-6a25, K.S.A. 2011 Supp. 65-6a30, and K.S.A. 2011 Supp. 65-6a44; implementing K.S.A. 2011 Supp. 65-6a20, as amended by L. 2012, ch. 145, sec. 29, K.S.A. 65-6a21, K.S.A. 65-6a22, K.S.A. 65-6a23, K.S.A. 65-6a25, and K.S.A. 2011 Supp. 65-6a30; effective May 1, 1986; amended May 1, 1988; amended Jan. 1, 1989; amended Jan. 21, 1991; amended Jan. 25, 1993; amended Dec. 12, 1994; amended Sept. 5, 1997; amended Sept. 1, 2006; amended Dec. 5, 2008; amended May 10, 2013.)

4-16-7a. Inspection fees. (a) Each establishment that requires inspection services at any time other than the establishment's regularly scheduled inspection periods or requests voluntary inspection services shall be subject to the charges specified in this regulation to defray the department's costs of providing these inspection services. Regularly scheduled inspection periods shall not include any legal holiday or any officially observed holiday as designated in K.A.R. 1-9-2.

(b) Each establishment that requests inspection services on a legal holiday or an officially observed holiday as designated in K.A.R. 1-9-2 shall give the secretary at least two weeks' notice before the holiday. Except for Martin Luther King, Jr. Day, the Fourth of July, and Veterans' Day, if the legal holiday occurs or is observed on a Monday or Friday, the fees shall also apply to inspection services requested during the adjacent weekend.

(c)(1) The hourly fee shall be \$28. The hourly fee shall be calculated in quarter-hour units. Unless otherwise specified, a required minimum charge of two hours shall be assessed.

(2) For slaughter with the mark of inspection, the hourly fee shall be assessed for the amount of time needed to conduct the inspection. The inspection shall include the inspector's drive time to and from the establishment. If the establishment processes with the mark of inspection that day, then the amount of time to inspect the processing operations shall be included in the total inspection time.

(3) For processing with the mark of inspection, a fee of \$40 shall be assessed per day if the establishment is processing with the mark of inspection and not slaughtering with the mark of inspection.

(d) Each establishment that requests inspection services over eight hours in one day shall be assessed fees as follows, if the secretary can accommodate the extra time:

(1) If the request is made before the inspector's arrival at the establishment or while the inspector is at the establishment, the hourly fee shall be assessed for the actual time of the additional inspection. The two-hour minimum charge shall be waived, and the inspector's drive time shall not be charged.

(2) If the request is made after the inspector has left the establishment, the hourly fee shall be assessed, including the two-hour minimum charge. The inspector's drive time shall not be charged.

(3) If the establishment requests to slaughter with the mark of inspection when the regularly inspected operation is processing, the request may be granted by the secretary without assessing overtime charges if the operations will not exceed the establishment's regularly scheduled hours that day.

(4) Any requests specified in this subsection may be denied by the secretary if the requested additional time at the establishment causes inspections to be missed at other establishments.

(e) Payment of all applicable fees shall be due at or before the end of the month following the date of the requested inspection services. If the fees are not paid, requests for the following may be denied by the secretary:

(1) Inspection services on holidays;

(2) inspection services outside of the establishment's regularly scheduled inspection periods; and

(3) voluntary inspection services.

(f) Any applicable fees may be waived by the secretary under either of the following conditions:

(1) The establishment trades a regularly scheduled day of inspection in the week during which the additional inspection services are provided.

(2) Additional requested inspection services can be provided without causing undue hardship to the program.

(g) For fees associated with 4-H slaughter or processing, each establishment providing slaughter services associated with 4-H shall be assessed fees as follows for each seven-day calendar week, Sunday through Saturday:

(1) The facility shall be provided with not more than eight hours of inspection services without charge for 4-H slaughter operations in a 24-hour period.

(2) Inspection services for 4-H slaughter for more than eight hours in a calendar week shall be subject to the hourly fee specified in subsection (c) for slaughter.

(3) The fee may be waived if the facility cancels a day of inspection in the same seven-day calendar week in which 4-H slaughter is conducted.

(4) The fee shall be assessed for actual inspection time and shall not include the inspector's drive time to and from the facility. (Authorized by K.S.A. 2011 Supp. 65-6a26 and K.S.A. 2011 Supp. 65-6a44; implementing K.S.A. 2011 Supp. 65-6a26; effective May 1, 1986; amended Jan. 1, 1989; amended July 1, 1993; amended Jan. 17, 2003; amended July 18, 2008; amended May 10, 2013.)

4-16-306. Retail exemption; establishments selling food other than meat and poultry. (a) Any person operating an establishment that is registered or required

to be registered under the Kansas meat and poultry inspection act may process meat and poultry products for retail sale without the mark of inspection as specified in 9 C.F.R. 303.1, as adopted in K.A.R. 4-16-1c, if both of the following conditions are met:

(1) The establishment is maintained and operated in a sanitary manner.

(2) The establishment meets the applicable requirements of the department's regulations to ensure that any carcasses or parts thereof, meat, meat food products, poultry, and poultry products handled on a retail basis, and any containers or packages containing these products, are separated at all times from both of the following:

(A) Carcasses or parts thereof, meat, meat food products, poultry, and poultry products that bear the mark of inspection; and

(B) carcasses or parts thereof, meat, meat food products, poultry, and poultry products custom-prepared according to K.S.A. 65-6a31(b), and amendments thereto, and 9 C.F.R. 303.1, as adopted in K.A.R. 4-16-1c.

(b) If an establishment at which inspection under the Kansas meat and poultry inspection act is maintained processes or sells food other than meat, meat food products, poultry, or poultry products, the owner or operator of that establishment may be required to obtain a separate license, permit, or registration for those operations at the establishment under the Kansas food, drug, and cosmetic act, K.S.A. 65-619 et seq. and amendments thereto. (Authorized by K.S.A. 2011 Supp. 65-6a30 and 65-6a44; implementing K.S.A. 2011 Supp. 65-6a30, K.S.A. 2011 Supp. 65-6a31, as amended by L. 2012, ch. 145, sec. 30, and K.S.A. 65-6a34, as amended by L. 2012, ch. 145, sec. 31; effective May 10, 2013.)

Article 17.—POULTRY AND POULTRY PRODUCTS INSPECTION

4-17-1a. (Authorized by K.S.A. 2005 Supp. 65-6a44; implementing K.S.A. 2005 Supp. 65-6a20, K.S.A. 65-6a21, K.S.A. 65-6a22, K.S.A. 65-6a23, K.S.A. 65-6a25, and K.S.A. 2005 Supp. 65-6a30; effective Jan. 1, 1989; amended Jan. 21, 1991; amended Jan. 25, 1993; amended Sept. 5, 1997; amended Sept. 1, 2006; revoked May 10, 2013.)

4-17-1c. (Authorized by K.S.A. 2005 Supp. 65-6a44; implementing K.S.A. 2005 Supp. 65-6a20, K.S.A. 65-6a21, K.S.A. 65-6a22, K.S.A. 65-6a23, K.S.A. 65-6a25, and K.S.A. 2005 Supp. 65-6a30; effective Jan. 1, 1989; amended Jan. 21, 1991; amended Jan. 25, 1993; amended Dec. 12, 1994; amended Sept. 5, 1997; amended Sept. 1, 2006; revoked May 10, 2013.)

4-17-300. (Authorized by K.S.A. 2007 Supp. 65-6a44; implementing K.S.A. 2007 Supp. 65-6a56; effective July 1, 1992; amended Dec. 12, 1994; amended July 18, 2008; revoked May 10, 2013.)

4-17-302 and 4-17-303. (Authorized by K.S.A. 2007 Supp. 65-6a44; implementing K.S.A. 2007 Supp. 65-6a56; effective July 1, 1992; amended July 18, 2008; revoked May 10, 2013.)

4-17-304 and 4-17-305. (Authorized by K.S.A. 2007 Supp. 65-6a44; implementing K.S.A. 2007 Supp. 65-6a56; effective July 1, 1992; amended Dec. 12, 1994; amended July 18, 2008; revoked May 10, 2013.)

Dale A. Rodman
Secretary of Agriculture

State of Kansas

Board of Nursing

Permanent Administrative Regulations

Article 9.—CONTINUING EDUCATION FOR NURSES

60-9-105. Definitions. (a) "Approval" means the act of determining that a providership application or course offering meets applicable standards based on review of either the total program or the individual offering.

(b) "Approved provider" means a person, organization, or institution that is approved by the board and is responsible for the development, administration, and evaluation of the continuing nursing education (CNE) program or offering.

(c) "Authorship" means a person's development of a manuscript for print or a professional paper for presentation. Each page of text that meets the definition of continuing nursing education (CNE), as defined in K.S.A. 65-1117 and amendments thereto, and is formatted according to the American psychological association's guidelines, shall equal three contact hours.

(1) Authorship of a manuscript means a person's development of an original manuscript for a journal article or text accepted by a publisher for statewide or national distribution on a subject related to nursing or health care. Proof of acceptance from the editor or the published work shall be deemed verification of this type of credit. Credit shall be awarded only once per topic per renewal period.

(2) Authorship of a professional research paper means a person's completion of a nursing research project as principal investigator, co-investigator, or project director and presentation to other health professionals. A program brochure, course syllabus, or letter from the offering provider identifying the person as a presenter shall be deemed verification of this type of credit. Credit shall be awarded only once each renewal period.

(d) "Behavioral objectives" means the intended outcome of instruction stated as measurable learning behaviors.

(e) "Certificate" means a document that is proof of completion of an offering consisting of one or more contact hours.

(f) "CE transcript" means a document that is proof of completion of one or more CNE offerings.

(g) "Clinical hours" means planned learning experiences in a clinical setting. Three clinical hours equal one contact hour.

(h) "College course" means a class taken through a college or university, as described in K.S.A. 65-1119 and amendments thereto, and meeting the definition of CNE in K.S.A. 65-1117, and amendments thereto. One college credit hour equals 15 contact hours.

(i) "Computer-based instruction" means a learning application that provides computer control to solve an instructional problem or to facilitate an instructional opportunity.

(continued)

(j) "Contact hour" means 50 total minutes of participation in a learning experience that meets the definition of CNE in K.S.A. 65-1117, and amendments thereto.

(k) "Distance learning" means the acquisition of knowledge and skills through information and instruction delivered by means of a variety of technologies.

(l) "Independent study" means a self-paced learning activity undertaken by the participant in an unstructured setting under the guidance of and monitored by an approved provider. This term may include self-study programs, distance learning, and authorship.

(m) "Individual offering approval" and "IOA" mean a request for approval of an education offering meeting the definition of CNE, as defined in K.S.A. 65-1117 and amendments thereto, but not presented by an approved provider or other acceptable approving body, as described in K.S.A. 65-1119 and amendments thereto.

(n) "In-service education" and "on-the-job training" mean learning activities in the work setting designed to assist the individual in fulfilling job responsibilities. In-service education and on-the-job-training shall not be eligible for CNE credit.

(o) "Offering" means a single CNE learning experience designed to enhance knowledge, skills, and professionalism related to nursing. Each offering shall consist of at least 30 minutes to be computed towards a contact hour.

(p) "Orientation" means formal or informal instruction designed to acquaint employees with the institution and the position. Orientation shall not be considered CNE.

(q) "Program" means a plan to achieve overall CNE goals.

(r) "Refresher course" means a course of study providing review of basic preparation and current developments in nursing practice.

(s) "Total program evaluation" means a systematic process by which an approved provider analyzes outcomes of the overall CNE program in order to make subsequent decisions. (Authorized by and implementing K.S.A. 2011 Supp. 65-1117 and K.S.A. 65-1119; effective Sept. 2, 1991; amended March 9, 1992; amended April 26, 1993; amended April 3, 1998; amended April 20, 2001; amended Oct. 25, 2002; amended March 6, 2009; amended May 10, 2013.)

60-9-106. Continuing nursing education for license renewal. (a) At the time of license renewal, any licensee may be required to submit proof of completion of 30 contact hours of approved continuing nursing education (CNE). This proof shall be documented as follows:

- (1) (A) Name of CNE offering or college course;
- (B) provider name or name of the accrediting organization;
- (C) provider number or number of the accrediting organization, if applicable;
- (D) offering date; and
- (E) number of contact hours; or
- (2) approved IOA.

(b) The required 30 contact hours of approved CNE shall have been completed during the most recent prior licensing period. Contact hours accumulated in excess of the 30-hour requirement shall not be carried over to the next renewal period.

(c) Acceptable CNE may include any of the following:

(1) An offering presented by an approved long-term or single provider;

(2) an offering as designated in K.S.A. 65-1119(e), and amendments thereto;

(3) an offering for which a licensee has submitted an individual offering approval (IOA). Before licensure renewal, the licensee may submit an application for an IOA to the board, accompanied by the following:

(A) An agenda with behavioral objectives describing learning outcomes; and

(B) official documentation of earned contact hours;

(4) a maximum of 15 contact hours for the first-time preparation and presentation as an instructor of an approved offering to licensed nurses. Two contact hours of instructor credit shall be granted for each hour of presentation;

(5) an offering utilizing a board-approved curriculum developed by the American heart association, emergency nurses association, or Mandt, which may include the following:

(A) Advanced cardiac life support;

(B) emergency nursing pediatric course;

(C) pediatric advanced life support;

(D) trauma nurse core course;

(E) neonatal resuscitation program; or

(F) Mandt program;

(6) independent study;

(7) distance learning offerings;

(8) a board-approved refresher course;

(9) participation as a member of a nursing organization board of directors or the state board of nursing, including participation as a member of a committee reporting to the board. The maximum number of allowable contact hours shall be six and shall not exceed three contact hours each year. A letter from an officer of the board confirming the dates of participation shall be accepted as documentation of this type of CNE; or

(10) any college courses in science, psychology, sociology, or statistics that are prerequisites for a nursing degree.

(d) Fractions of hours over 30 minutes to be computed towards a contact hour shall be accepted.

(e) Contact hours shall not be recognized by the board for any of the following:

(1) Identical offerings completed within a renewal period;

(2) offerings containing the same content as courses that are part of basic preparation at the level of current licensure or certification;

(3) in-service education, on-the-job training, orientation, and institution-specific courses;

(4) an incomplete or failed college course or any college course in literature and composition, public speaking, basic math, algebra, humanities, or other general education requirements unless the course meets the definition of CNE; or

(5) offerings less than 30 minutes in length. (Authorized by and implementing K.S.A. 2011 Supp. 65-1117; effective Sept. 2, 1991; amended April 3, 1998; amended April 20, 2001; amended July 20, 2007; amended May 10, 2013.)

60-9-107. Approval of continuing nursing education. (a) Offerings of approved providers shall be recognized by the board.

(1) Long-term provider. A completed application for initial approval or five-year renewal for a long-term continuing nursing education (CNE) providership shall be submitted to the board at least 60 days before a scheduled board meeting.

(2) Single offering provider. The application for a single CNE offering shall be submitted to the board at least 30 days before the anticipated date of the first offering.

(b) Each applicant shall include the following information on the application:

(1) (A) The name and address of the organization; and

(B) the name and address of the department or unit within the organization responsible for approving CNE, if different from the name and address of the organization;

(2) the name, education, and experience of the program coordinator responsible for CNE, as specified in subsection (c);

(3) written policies and procedures, including at least the following areas:

(A) Assessing the need and planning for CNE activities;

(B) fee assessment;

(C) advertisements or offering announcements. Published information shall contain the following statement: "(name of provider) is approved as a provider of CNE by the Kansas State Board of Nursing. This course offering is approved for contact hours applicable for APRN, RN, or LPN relicensure. Kansas State Board of Nursing provider number: _____";

(D) for long-term providers, the offering approval process as specified in subsection (d);

(E) awarding contact hours, as specified in subsection (e);

(F) verifying participation and successful completion of the offering, as specified in subsections (f) and (g);

(G) recordkeeping and record storage, as specified in subsection (h);

(H) notice of change of coordinator or required policies and procedures. The program coordinator shall notify the board in writing of any change of the individual responsible for the providership or required policies and procedures within 30 days; and

(I) for long-term providers, a copy of the total program evaluation plan; and

(4) the proposed CNE offering, as specified in subsection (i).

(c) (1) Long-term provider. The program coordinator for CNE shall meet these requirements:

(A) Be a licensed professional nurse;

(B) have three years of clinical experience;

(C) have one year of experience in developing and implementing nursing education; and

(D) have a baccalaureate degree in nursing, except those individuals exempted under K.S.A. 65-1119 (e)(6), and amendments thereto.

(2) Single offering provider. If the program coordinator is not a nurse, the applicant shall also include the name, education, and experience of the nurse consultant. The

individual responsible for CNE or the nurse consultant shall meet these requirements:

(A) Be licensed to practice nursing; and

(B) have three years of clinical experience.

(d) For long-term providers, the policies and procedures for the offering approval process shall include the following:

(1) A summary of the planning;

(2) the behavioral objectives;

(3) the content, which shall meet the definition of CNE in K.S.A. 65-1117 and amendments thereto;

(4) the instructor's education and experience, documenting knowledge and expertise in the content area;

(5) a current bibliography that is reflective of the offering content. The bibliography shall include books published within the past 10 years, periodicals published within the past five years, or both; and

(6) an offering evaluation that includes each participant's assessment of the following:

(A) The achievement of each objective; and

(B) the expertise of each individual presenter.

(e) An approved provider may award any of the following:

(1) Contact hours as documented on an offering agenda for the actual time attended, including partial credit for one or more contact hours;

(2) credit for fractions of hours over 30 minutes to be computed towards a contact hour;

(3) instructor credit, which shall be twice the length of the first-time presentation of an approved offering, excluding any standardized, prepared curriculum;

(4) independent study credit that is based on the time required to complete the offering, as documented by the provider's pilot test results; or

(5) clinical hours.

(f) (1) Each provider shall maintain documentation to verify that each participant attended the offering. The provider shall require each participant to sign a daily roster, which shall contain the following information:

(A) The provider's name, address, provider number, and coordinator;

(B) the date and title of the offering, and the presenter or presenters; and

(C) the participant's name and license number, and the number of contact hours awarded.

(2) Each provider shall maintain documentation to verify completion of each independent study offering, if applicable. To verify completion of an independent study offering, the provider shall maintain documentation that includes the following:

(A) The provider's name, address, provider number, and coordinator;

(B) the participant's name and license number, and the number of contact hours awarded;

(C) the title of the offering;

(D) the date on which the offering was completed; and

(E) either the completion of a posttest or a return demonstration.

(g) (1) A certificate of attendance shall be awarded to each participant after completion of an offering, or a CE

(continued)

transcript shall be provided according to the policies and procedures of the long-term provider.

(2) Each certificate and each CE transcript shall be complete before distribution to the participant.

(3) Each certificate and each CE transcript shall contain the following information:

(A) The provider's name, address, and provider number;

(B) the title of the offering;

(C) the date or dates of attendance or completion;

(D) the number of contact hours awarded and, if applicable, the designation of any independent study or instructor contact hours awarded;

(E) the signature of the individual responsible for the providership; and

(F) the name and license number of the participant.

(h) (1) For each offering, the approved provider shall retain the following for two years:

(A) A summary of the planning;

(B) a copy of the offering announcement or brochure;

(C) the title and objectives;

(D) the offering agenda or, for independent study, pilot test results;

(E) a bibliography;

(F) a summary of the participants' evaluations;

(G) each instructor's education and experience; and

(H) documentation to verify completion of the offering, as specified in subsection (f).

(2) The record storage system used shall ensure confidentiality and easy retrieval of records by authorized individuals.

(3) Each approved single offering CNE provider shall submit to the board the original signature roster and a typed, alphabetized roster of individuals who have completed an offering, within 15 working days of course completion.

(i) (1) Long-term provider application. The provider shall submit two proposed offerings, including the following:

(A) A summary of planning;

(B) a copy of the offering announcement or brochure;

(C) the title and behavioral objectives;

(D) the offering agenda or, for independent study, pilot test results;

(E) each instructor's education and experience;

(F) a current bibliography, as specified in paragraph (d)(5); and

(G) the offering evaluation form.

(2) Single offering provider application. The provider shall submit the proposed offering, which shall include the information specified in paragraphs (i)(1)(A) through (G).

(j) (1) Long-term provider application. Each prospective coordinator who has submitted an application for a long-term CNE providership that has been reviewed once and found deficient, or has approval pending, shall submit all materials required by this regulation at least two weeks before the next board meeting. If the application does not meet all of the requirements or the prospective coordinator does not contact the board for an extension on or before this deadline, the application process shall

be considered abandoned. A new application and fee shall be submitted if a providership is still desired.

(2) Single offering approval application. If the application for a single offering has been reviewed and found deficient, or has approval pending, the CNE coordinator shall submit all materials required by this regulation before the date of offering. If the application does not meet requirements before the offering deadline, the application shall be considered abandoned. There shall be no retroactive approval of single offerings.

(k) (1) Each approved long-term provider shall pay a fee for the upcoming year and submit an annual report for the period of July 1 through June 30 of the previous year on or before the deadline designated by the board. The annual report shall contain the following:

(A) An evaluation of all the components of the providership based on the total program evaluation plan;

(B) a statistical summary report; and

(C) for each of the first two years of the providership, a copy of the records for one offering as specified in paragraphs (h)(1)(A) through (H).

(2) If approved for the first time after January 1, a new long-term provider shall submit only the statistical summary report and shall not be required to submit the annual fee or evaluation based on the total program evaluation plan.

(1) (1) If the long-term provider does not renew the providership, the provider shall notify the board in writing of the location at which the offering records will be accessible to the board for two years.

(2) If a provider does not continue to meet the criteria for current approval established by regulation or if there is a material misrepresentation of any fact with the information submitted to the board by an approved provider, approval may be withdrawn or conditions relating to the providership may be applied by the board after giving the approved provider notice and an opportunity to be heard.

(3) Any approved provider that has voluntarily relinquished the providership or has had the providership withdrawn by the board may reapply as a long-term provider. The application shall be submitted on forms supplied by the board and accompanied by the designated, nonrefundable fee as specified in K.A.R. 60-4-103(a)(3). (Authorized by and implementing K.S.A. 2011 Supp. 65-1117 and K.S.A. 65-1119; effective March 9, 1992; amended Sept. 27, 1993; amended April 3, 1998; amended Oct. 25, 2002; amended March 6, 2009; amended May 10, 2013.)

Article 12.—CONTINUING EDUCATION FOR MENTAL HEALTH TECHNICIANS

60-12-106. License renewal. (a) Each licensee shall submit a renewal application and the renewal fee specified in K.A.R. 60-8-101 no later than December 31 in each even-numbered year.

(b) Any licensed mental health technician may be required to submit proof of completion of 30 contact hours during the most recent prior licensing period. Contact hours accumulated in excess of the 30-hour requirement shall not be carried over to the next license renewal pe-

riod. This proof of completion shall be documented as follows:

(1) (A) Name of the continuing mental health technician education (CMHTE) offering or college course;

(B) provider name or name of the accrediting organization;

(C) provider number or number of the accrediting organization, if applicable;

(D) offering date; and

(E) number of contact hours; or

(2) approved IOA.

(c) Any individual attending an offering not previously approved by the board may submit an application for an individual offering approval (IOA). Credit may be given for offerings that the licensee demonstrates to be relevant to the licensee's practice of mental health technology. Each separate offering shall be approved before the licensee submits the license renewal application.

(d) Approval shall not be granted for identical offerings completed within a license renewal period.

(e) Any licensed mental health technician may acquire 30 contact hours of CMHTE from independent study, as defined in K.S.A. 65-4202 and amendments thereto.

(f) Any licensed mental health technician may accumulate 15 contact hours of the required CMHTE from instructor credit. Each presenter shall receive instructor credit only once for preparation and presentation of each course. The provider shall issue a certificate listing the number of contact hours earned and clearly identifying the hours as instructor credit.

(g) Fractions of hours may be accepted for offerings over 30 minutes to be computed towards a contact hour. (Authorized by K.S.A. 65-4203; implementing K.S.A. 2011 Supp. 65-4205; effective Sept. 2, 1991; amended Feb. 16, 1996; amended Oct. 12, 2001; amended May 10, 2013.)

Mary Blubaugh, MSN, RN
Executive Administrator

Doc. No. 041496

State of Kansas

Department of Health and Environment

Permanent Administrative Regulations

Article 31.—HAZARDOUS WASTE MANAGEMENT STANDARDS AND REGULATIONS

28-31-260b. General provisions and definitions; adoption of technical documents. In any federal regulation adopted by reference in K.A.R. 28-31-260 through 28-31-279, each reference to any of the following documents shall mean that document as hereby adopted by reference:

(a) ASTM. The following documents published by the American society for testing and materials:

(1) ANSI/ASTM D 93-79, "standard test methods for flash point by Pensky-Martens closed tester," published October 1979;

(2) D 93-80, "standard test methods for flash point by Pensky-Martens closed tester," published October 1980 and updated July 1981;

(3) D 1946-82, "standard method for analysis of reformed gas by gas chromatography," published August 1982;

(4) D 2267-88, "standard test method for aromatics in light naphthas and aviation gasolines by gas chromatography," published December 1988;

(5) D 2382-83, "standard test method for heat of combustion of hydrocarbon fuels by bomb calorimeter (high-precision method)," published January 1984;

(6) D 2879-92, "standard test method for vapor pressure-temperature relationship and initial decomposition temperature of liquids by isoteniscope," published December 1992;

(7) ASTM D 3278-78, "standard test methods for flash point of liquids by setaflash closed tester," published March 1979;

(8) E 168-88, "standard practices for general techniques of infrared quantitative analysis," published July 1988;

(9) E 169-87, "standard practices for general techniques of ultraviolet-visible quantitative analysis," published April 1987;

(10) E 260-85, "standard practice for packed column gas chromatography," published November 1985; and

(11) in E 926-88, "standard test methods of preparing refuse-derived fuel (RDF) samples for analyses of metals," published May 1988, "test method C — bomb, acid digestion method" on pages 3 and 4;

(b) EPA. The following documents published by the United States environmental protection agency (EPA):

(1) EPA 450/2-81-005, APTI course 415, "control of gaseous emissions: student manual," published December 1981, except pages ii and I-4;

(2) EPA 454/R-92-019, previously designated as EPA 450/R-92-019, "screening procedures for estimating the air quality impact of stationary sources, revised," published October 1992, except the preface on page iii, the acknowledgments on page iv, and the references in section 5; and

(3) the following methods published in the following updates to EPA publication SW-846, "test methods for evaluating solid waste," third edition, published November 1986:

(A) In "update III," dated December 1996, the following:

(i) Method 0011, "sampling for selected aldehyde and ketone emissions from stationary sources," dated December 1996;

(ii) method 0023A, "sampling method for polychlorinated dibenzo-*p*-dioxins and polychlorinated dibenzofuran emissions from stationary sources," dated December 1996;

(iii) method 0050, "isokinetic HCl/Cl₂ emission sampling train," dated December 1996;

(iv) method 0051, "midjet impinger HCl/Cl₂ emission sampling train," dated December 1996;

(v) method 0060, "determination of metals in stack emissions," dated December 1996; and

(vi) method 0061, "determination of hexavalent chromium emissions from stationary sources," dated December 1996; and

(continued)

(B) in "final update for IIIB to the SW-846: test methods for evaluating solid waste physical/chemical methods," published February 2007, the following:

(i) Method 1110A, "corrosivity toward steel," dated November 2004;

(ii) method 1310B, "extraction procedure (EP) toxicity test method and structural integrity test," dated November 2004;

(iii) method 1311, "toxicity characteristic leaching procedure," dated July 1992;

(iv) method 9010C, "total and amenable cyanide: distillation," dated November 2004;

(v) method 9012B, "total and amenable cyanide (automated colorimetric, with off-line distillation)," dated November 2004;

(vi) method 9040C, "pH electronic measurement," dated November 2004;

(vii) method 9060A, "total organic carbon," dated November 2004; and

(viii) method 9095B, "paint filter liquids test," dated November 2004;

(c) NFPA. Tables 2-1 through 2-6 in chapter 2 in the following documents published by the national fire protection association (NFPA):

(1) NFPA 30, "flammable and combustible liquids code 1977," 1977 edition; and

(2) NFPA 30, "flammable and combustible liquids code 1981," 1981 edition; and

(d) API. In API publication 2517, "evaporative loss from external floating-roof tanks," third edition, published February 1989 by the American petroleum institute, pages vii through ix and pages 1 through 61. (Authorized by and implementing K.S.A. 65-3431; effective May 10, 2013.)

28-31-268. Land disposal restrictions; adoption and modification of federal regulations. (a) Adoption. The provisions of 40 CFR part 268, including appendices III, IV, VI through VIII, and XI, as in effect on July 1, 2006, are hereby adopted by reference subject to the following:

(1) The substitution of terms listed in K.A.R. 28-31-100 through 28-31-100s;

(2) the exclusions from adoption listed in subsection (b); and

(3) the modifications listed in subsection (c).

(b) Exclusions. The following portions of 40 CFR part 268 shall be excluded from adoption:

(1) All comments and all notes;

(2) 40 CFR 268.13; and

(3) 40 CFR 268.44(o).

(c) Modifications. The following modifications shall be made to 40 CFR part 268:

(1) Each occurrence of the following phrases shall be deleted:

(A) "(incorporated by reference, see § 260.11 of this chapter)";

(B) "as incorporated by reference in § 260.11";

(C) "as incorporated by reference in § 260.11 of this chapter";

(D) "as incorporated by reference in 40 CFR 260.11"; and

(E) "as referenced in § 260.11 of this chapter."

(2) Paragraph 40 CFR 268.1(e)(1) shall be replaced with "Waste generated by conditionally exempt small quantity generators or Kansas small quantity generators (KSQGs), except KSQGs shall comply with 40 CFR 268.7(a)(5) and (10)."

(3) In 40 CFR 268.3(a), the phrase "RCRA section 3004" shall be replaced with "40 CFR part 268."

(4) In 40 CFR 268.7(a)(9)(iii), the phrase "except for D009" shall be added to the end of the sentence.

(5) In 40 CFR 268.7(a)(10), the phrase "and Kansas small quantity generators" shall be inserted after the term "Small quantity generators."

(6) In 40 CFR 268.7(d), the phrase "§ 261.3(e)" shall be replaced with "§ 261.3(f)."

(7) 40 CFR 268.7(d)(1) shall be replaced with the following: "A one-time notification, including the following information, shall be submitted to the department:"

(8) In 40 CFR 268.14(b) and (c), the phrase "section 3001" shall be replaced with "40 CFR part 261."

(9) In 40 CFR 268.44(i), the phrase "in § 260.20(b)(1)-(4)" shall be replaced with "required by EPA's rulemaking petition program."

(10) In 40 CFR 268.50(a), the phrase "of RCRA section 3004" shall be deleted.

(11) In 40 CFR 268.50(e), the phrase "or RCRA section 3004" shall be deleted. (Authorized by and implementing K.S.A. 65-3431; effective April 29, 2011; amended May 10, 2013.)

Robert Moser, M.D.
Secretary of Health
and Environment

Doc. No. 041490

State of Kansas

Secretary of State

Certification of New State Laws

I, Kris W. Kobach, 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.

Kris W. Kobach
Secretary of State

(Published in the Kansas Register April 25, 2013.)

House Substitute for SENATE BILL No. 83

AN ACT concerning taxation; relating to delinquent tax liabilities; service fees, remittance; income tax deductions and modifications; severance tax; sales and use tax, nexus; property tax, exemptions, watercraft, appraisals, payment of refund of taxes; amending K.S.A. 79-32,109 and K.S.A. 2012 Supp. 74-2433f, 75-5162, 79-306e, 79-1448, 79-1609, 79-1701a, 79-1702, 79-2005, 79-32,117, 79-32,118, 79-32,266, 79-3620, 79-3702 and 79-4217 and repealing the existing sections; also repealing K.S.A. 79-3632 and K.S.A. 2012 Supp. 79-32,117n and 79-3639a.

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

Section 1. On July 1, 2013, K.S.A. 2012 Supp. 75-5162 is hereby amended to read as follows: 75-5162. (a) For any tax established pursuant to law which is administered by the Kansas department of revenue, any taxpayer having a delinquent tax liability and entering into an agreement with the department providing for an installment payment

plan allowing the pay off of such liability in a time period in excess of 90 days from the date when such agreement is entered into shall be assessed a service fee of ~~\$10~~\$25.

(b) Any taxpayer requesting a full or partial abatement of tax liability pursuant to K.S.A. 79-3233a, 79-3618 or 75-5154, and amendments thereto, shall be assessed a service fee of \$50.

(c) The department, when remitting funds to the United States internal revenue service in response to a levy on those funds, may withhold from the funds a service fee of \$22.

(d) The secretary of revenue shall remit all moneys received by or for the secretary from such fees and collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the recovery fund for enforcement actions and attorney fees, which is hereby established in the state treasury and which may be used for the administration and operation of the department. The secretary of revenue shall remit the first \$350,000 of delinquent taxes, including penalties and interest, collected during any fiscal year for income tax or any other tax that would otherwise be deposited 100% in the state general fund, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the recovery fund for enforcement actions and attorney fees. All expenditures from the recovery fund for enforcement actions and attorney fees 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 revenue or by a person or persons designated by the secretary.

Sec. 2. K.S.A. 79-32,109 is hereby amended to read as follows: 79-32,109. As used in this act, unless the context otherwise requires:

(a) (1) Any term used in this act shall have the same meaning as when used in a comparable context in the federal internal revenue code. Any reference in this act to the "federal internal revenue code" shall mean the provisions of the federal internal revenue code of 1986, and amendments thereto, and other provisions of the laws of the United States relating to federal income taxes, as the same may be or become effective at any time, or from time to time, for the taxable year.

(2) Any reference in this act to a federal form or schedule, or to a line number on a federal form or schedule, shall be to such form, schedule and line number as they existed for tax year 2011 and as revised thereafter by the internal revenue service. Any such reference shall include comparable federal forms, schedules, and line numbers used by non-United States residents when filing their federal income tax return with the internal revenue service.

(b) "Resident individual" means a natural person who is domiciled in this state. A natural person who spends in the aggregate more than six months of the taxable year within this state shall be presumed to be a resident for purposes of this act in absence of proof to the contrary. A nonresident individual means an individual other than a resident individual.

(c) "Resident estate" means the estate of a deceased person whose domicile was in this state at the time of such person's death. "Nonresident estate" means an estate other than a resident estate.

(d) "Resident trust" means a trust which is administered in this state. A trust shall not be deemed to be administered in this state solely because it is subject to the jurisdiction of a district court within this state. "Nonresident trust" means a trust other than a resident trust.

(e) "Resident partner" means a partner who is a resident individual, a resident estate, or a resident trust. "Nonresident partner" means a partner other than a resident partner.

(f) "Resident beneficiary" means a beneficiary of an estate or trust which beneficiary is a resident individual, a resident estate, or a resident trust. "Nonresident beneficiary" means a beneficiary other than a resident beneficiary.

(g) "Director" means the director of taxation.

(h) "Modified Kansas source income" means that part of a nonresident individual's Kansas adjusted gross income as set forth in K.S.A. 79-32,117, and amendments thereto, derived from sources in Kansas. Items of income including unemployment compensation, gain, loss or deduction reflected in Kansas adjusted gross income shall be considered derived from sources in Kansas to the extent that they are attributable to: (1) The ownership of any interest in real or tangible personal property in this state; (2) a business, trade, profession or occupation carried on in this state; (3) a business, trade, profession or occupation carried on partly within and partly without this state as determined by the uniform division of income for tax purposes act as set forth in K.S.A. 79-3271 through K.S.A. 79-3293, and amendments thereto; (4) the distributive share of partnership income, gain, loss and deduction determined under this section as if the partnership were a nonresident in-

dividual; (5) the share of estate or trust income, gain, loss and deduction determined under K.S.A. 79-32,137, and amendments thereto; (6) prizes won from lottery games conducted by the Kansas lottery; (7) any winnings from parimutuel wagering derived from the conduct of parimutuel activities within this state; or (8) income from intangible personal property, including annuities, dividends, interest, and gains from the disposition of intangible personal property to the extent that such income is from property employed in a trade, business, profession or occupation carried on in Kansas. A nonresident, other than a dealer holding property primarily for sale to customers in the ordinary course of such dealer's trade or business, shall not be deemed to carry on a business, trade, profession or occupation in Kansas solely by reason of the purchase and sale of property for such nonresident's own account.

"Modified Kansas source income" shall not include: (1) Compensation paid by the United States for service in the armed forces of the United States, performed during an induction period by an individual not domiciled in this state; or (2) such individual's share of distributed or undistributed taxable income or net operating loss of a corporation which is an electing small business corporation unless an agreement is filed as provided in K.S.A. 79-32,139, and amendments thereto, in which event, the "modified Kansas source income" of such nonresident individual shall include such individual's share of such corporation's distributed and undistributed taxable income or net operating loss as such share is determined under the internal revenue code only to the extent, however, that such income, gain or loss is at the corporate level, derived from sources within Kansas.

Sec. 3. K.S.A. 2012 Supp. 79-32,117 is hereby amended to read as follows: 79-32,117. (a) The Kansas adjusted gross income of an individual means such individual's federal adjusted gross income for the taxable year, with the modifications specified in this section.

(b) There shall be added to federal adjusted gross income:

(i) Interest income less any related expenses directly incurred in the purchase of state or political subdivision obligations, to the extent that the same is not included in federal adjusted gross income, on obligations of any state or political subdivision thereof, but to the extent that interest income on obligations of this state or a political subdivision thereof issued prior to January 1, 1988, is specifically exempt from income tax under the laws of this state authorizing the issuance of such obligations, it shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income. Interest income on obligations of this state or a political subdivision thereof issued after December 31, 1987, shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income.

(ii) Taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state or any other taxing jurisdiction to the extent deductible in determining federal adjusted gross income and not credited against federal income tax. This paragraph shall not apply to taxes imposed under the provisions of K.S.A. 79-1107 or 79-1108, and amendments thereto, for privilege tax year 1995, and all such years thereafter.

(iii) The federal net operating loss deduction.

(iv) Federal income tax refunds received by the taxpayer if the deduction of the taxes being refunded resulted in a tax benefit for Kansas income tax purposes during a prior taxable year. Such refunds shall be included in income in the year actually received regardless of the method of accounting used by the taxpayer. For purposes hereof, a tax benefit shall be deemed to have resulted if the amount of the tax had been deducted in determining income subject to a Kansas income tax for a prior year regardless of the rate of taxation applied in such prior year to the Kansas taxable income, but only that portion of the refund shall be included as bears the same proportion to the total refund received as the federal taxes deducted in the year to which such refund is attributable bears to the total federal income taxes paid for such year. For purposes of the foregoing sentence, federal taxes shall be considered to have been deducted only to the extent such deduction does not reduce Kansas taxable income below zero.

(v) The amount of any depreciation deduction or business expense deduction claimed on the taxpayer's federal income tax return for any capital expenditure in making any building or facility accessible to the handicapped, for which expenditure the taxpayer claimed the credit allowed by K.S.A. 79-32,177, and amendments thereto.

(vi) Any amount of designated employee contributions picked up by an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965, and amendments thereto.

(vii) The amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-32,196, and amendments thereto.

(continued)

(viii) The amount of any costs incurred for improvements to a swine facility, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2012 Supp. 79-32,204, and amendments thereto.

(ix) The amount of any ad valorem taxes and assessments paid and the amount of any costs incurred for habitat management or construction and maintenance of improvements on real property, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203, and amendments thereto.

(x) Amounts received as nonqualified withdrawals, as defined by K.S.A. 2012 Supp. 75-643, and amendments thereto, if, at the time of contribution to a family postsecondary education savings account, such amounts were subtracted from the federal adjusted gross income pursuant to paragraph (xv) of subsection (c) of K.S.A. 79-32,117, and amendments thereto, or if such amounts are not already included in the federal adjusted gross income.

(xi) The amount of any contribution made to the same extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 2012 Supp. 74-50,154, and amendments thereto.

(xii) For taxable years commencing after December 31, 2004, amounts received as withdrawals not in accordance with the provisions of K.S.A. 2012 Supp. 74-50,204, and amendments thereto, if, at the time of contribution to an individual development account, such amounts were subtracted from the federal adjusted gross income pursuant to paragraph (xiii) of subsection (c), or if such amounts are not already included in the federal adjusted gross income.

(xiii) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2012 Supp. 79-32,217 through 79-32,220 or 79-32,222, and amendments thereto.

(xiv) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2012 Supp. 79-32,221, and amendments thereto.

(xv) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2012 Supp. 79-32,223 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-32,251 through 79-32,254, and amendments thereto.

(xvi) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2012 Supp. 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

(xvii) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2012 Supp. 79-32,256, and amendments thereto.

(xviii) For taxable years commencing after December 31, 2006, the amount of any ad valorem or property taxes and assessments paid to a state other than Kansas or local government located in a state other than Kansas by a taxpayer who resides in a state other than Kansas, when the law of such state does not allow a resident of Kansas who earns income in such other state to claim a deduction for ad valorem or property taxes or assessments paid to a political subdivision of the state of Kansas in determining taxable income for income tax purposes in such other state, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xix) For all taxable years beginning after December 31, 2012, the amount of any: (1) Loss from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) loss from rental real estate, royalties, partnerships, S corporations, *except those with wholly owned subsidiaries subject to the Kansas privilege tax*, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) farm loss as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent deducted or subtracted in determining the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed

for tax year 2011, and as revised thereafter by the internal revenue service.

(xx) For all taxable years beginning after December 31, 2012, the amount of any deduction for self-employment taxes under section 164(f) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxi) For all taxable years beginning after December 31, 2012, the amount of any deduction for pension, profit sharing, and annuity plans of self-employed individuals under section 62(a)(6) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxii) For all taxable years beginning after December 31, 2012, the amount of any deduction for health insurance under section 162(l) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiii) For all taxable years beginning after December 31, 2012, the amount of any deduction for domestic production activities under section 199 of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(c) There shall be subtracted from federal adjusted gross income:

(i) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States and its possessions less any related expenses directly incurred in the purchase of such obligations or securities, to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(ii) Any amounts received which are included in federal adjusted gross income but which are specifically exempt from Kansas income taxation under the laws of the state of Kansas.

(iii) The portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Kansas income tax purposes than for federal income tax purposes on the date such property was sold or disposed of in a transaction in which gain or loss was recognized for purposes of federal income tax that does not exceed such difference in basis, but if a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to that portion of such gain which is included in federal adjusted gross income.

(iv) The amount necessary to prevent the taxation under this act of any annuity or other amount of income or gain which was properly included in income or gain and was taxed under the laws of this state for a taxable year prior to the effective date of this act, as amended, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain.

(v) The amount of any refund or credit for overpayment of taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state, or any taxing jurisdiction, to the extent included in gross income for federal income tax purposes.

(vi) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income.

(vii) Amounts received as annuities under the federal civil service retirement system from the civil service retirement and disability fund and other amounts received as retirement benefits in whatever form which were earned for being employed by the federal government or for service in the armed forces of the United States.

(viii) Amounts received by retired railroad employees as a supplemental annuity under the provisions of 45 U.S.C. §§ 228b (a) and 228c (a)(1) et seq.

(ix) Amounts received by retired employees of a city and by retired employees of any board of such city as retirement allowances pursuant to K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter ordinance exempting a city from the provisions of K.S.A. 13-14,106, and amendments thereto.

(x) For taxable years beginning after December 31, 1976, the amount of the federal tentative jobs tax credit disallowance under the provisions of 26 U.S.C. § 280 C. For taxable years ending after December 31, 1978, the amount of the targeted jobs tax credit and work incentive credit disallowances under 26 U.S.C. § 280 C.

(xi) For taxable years beginning after December 31, 1986, dividend income on stock issued by Kansas Venture Capital, Inc.

(xii) For taxable years beginning after December 31, 1989, amounts received by retired employees of a board of public utilities as pension and retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249, and amendments thereto.

(xiii) For taxable years beginning after December 31, 2004, amounts contributed to and the amount of income earned on contributions deposited to an individual development account under K.S.A. 2012 Supp. 74-50,201 et seq., and amendments thereto.

(xiv) For all taxable years commencing after December 31, 1996, that portion of any income of a bank organized under the laws of this state or any other state, a national banking association organized under the laws of the United States, an association organized under the savings and loan code of this state or any other state, or a federal savings association organized under the laws of the United States, for which an election as an S corporation under subchapter S of the federal internal revenue code is in effect, which accrues to the taxpayer who is a stockholder of such corporation and which is not distributed to the stockholders as dividends of the corporation. For all taxable years beginning after December 31, 2012, the amount of modification under this subsection shall exclude the portion of income or loss reported on schedule E and included on line 17 of the taxpayer's form 1040 federal individual income tax return.

(xv) For all taxable years beginning after December 31, 2006, amounts not exceeding \$3,000, or \$6,000 for a married couple filing a joint return, for each designated beneficiary which are contributed to a family postsecondary education savings account established under the Kansas postsecondary education savings program or a qualified tuition program established and maintained by another state or agency or instrumentality thereof pursuant to section 529 of the internal revenue code of 1986, as amended, for the purpose of paying the qualified higher education expenses of a designated beneficiary at an institution of postsecondary education. The terms and phrases used in this paragraph shall have the meaning respectively ascribed thereto by the provisions of K.S.A. 2012 Supp. 75-643, and amendments thereto, and the provisions of such section are hereby incorporated by reference for all purposes thereof.

(xvi) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are or were members of the armed forces of the United States, including service in the Kansas army and air national guard, as a recruitment, sign up or retention bonus received by such taxpayer as an incentive to join, enlist or remain in the armed services of the United States, including service in the Kansas army and air national guard, and amounts received for repayment of educational or student loans incurred by or obligated to such taxpayer and received by such taxpayer as a result of such taxpayer's service in the armed forces of the United States, including service in the Kansas army and air national guard.

(xvii) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are eligible members of the Kansas army and air national guard as a reimbursement pursuant to K.S.A. 48-281, and amendments thereto, and amounts received for death benefits pursuant to K.S.A. 48-282, and amendments thereto, or pursuant to section 1 or section 2 of chapter 207 of the 2005 session laws of Kansas, and amendments thereto, to the extent that such death benefits are included in federal adjusted gross income of the taxpayer.

(xviii) For the taxable year beginning after December 31, 2006, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$50,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly; and for all taxable years beginning after December 31, 2007, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$75,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly.

(xix) Amounts received by retired employees of Washburn university as retirement and pension benefits under the university's retirement plan.

(xx) For all taxable years beginning after December 31, 2012, the amount of any: (1) Net profit from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) net income from rental real estate, royalties, partnerships, S corporations, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) net farm profit as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal individual income tax return; all to the extent included in the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F,

shall be to such form and schedules as they existed for tax year 2011 and as revised thereafter by the internal revenue service.

(d) There shall be added to or subtracted from federal adjusted gross income the taxpayer's share, as beneficiary of an estate or trust, of the Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and amendments thereto.

(e) The amount of modifications required to be made under this section by a partner which relates to items of income, gain, loss, deduction or credit of a partnership shall be determined under K.S.A. 79-32,131, and amendments thereto, to the extent that such items affect federal adjusted gross income of the partner.

Sec. 4. K.S.A. 2012 Supp. 79-32,118 is hereby amended to read as follows: 79-32,118. ~~Commencing in tax year 2013,~~ The Kansas deduction of an individual shall be such individual's Kansas standard deduction *unless such individual elects to deduct such individual's Kansas itemized deductions under the conditions set forth in K.S.A. 79-32,120, and amendments thereto.*

Sec. 5. K.S.A. 2012 Supp. 79-32,266 is hereby amended to read as follows: 79-32,266. (a) For taxable years commencing after December 31, 2010, there shall be allowed as a credit against the tax liability of a resident individual taxpayer an amount equal to 95% of the resident individual's income tax liability under the provisions of the Kansas income tax act for Kansas source income received from a qualified company that is business income attributable to business activities conducted at the business facility, office, department or other operation relocated to Kansas when the taxpayer owns such qualified company and materially participates in such business activities conducted at such relocated business facility, office, department or other operation of such qualified company which qualified for benefits under the provisions of subsection (a)(1) of K.S.A. 74-50,212, and amendments thereto. A taxpayer shall be treated as materially participating in such qualified company's business activities conducted at such business facility, office, department or other operation relocated to Kansas only if the taxpayer is involved in such business activities of such qualified company on a basis which is regular, continuous and substantial. A taxpayer may claim the credit authorized by this section during any tax year in which the qualified company owned by the taxpayer qualifies for benefits under provisions of K.S.A. 74-50,212, and amendments thereto.

(b) Business income attributable to the business activities conducted at the business facility, office, department or other operation relocated to Kansas of a qualified company which qualified for benefits under the provisions of subsection (a)(1) of K.S.A. 74-50,212, and amendments thereto, shall be determined by multiplying the business income of the company apportioned to this state by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor, and the denominator of which is three. For purposes of this subsection, the property factor is a fraction, the numerator of which is the average value of the company's real and tangible personal property owned or rented and used during the tax period at such relocated facility, office, department or other relocated operation in Kansas, and the denominator of which is the average value of the company's real and tangible personal property owned or rented and used within this state during the tax period. The payroll factor is a fraction, the numerator of which is the total amount paid during the tax period by the company for compensation at such relocated facility, office, department or other relocated operation in Kansas, and the denominator of which is the total compensation paid by the company in this state during the tax period. The sales factor is a fraction, the numerator of which is the total sales of the relocated facility, office, department or other relocated operation in this state during the tax period, and the denominator of which is the total sales of the company in this state during the tax period.

(c) This credit shall not be available to any taxpayer making a modification under (b)(xix) or ~~(c)(xx)~~ (c)(xx) of K.S.A. 79-32,117, and amendments thereto.

(d) The secretary of revenue shall adopt rules and regulations regarding the filing of documents that support the qualifications of the taxpayer for the credit claimed pursuant to this section.

Sec. 6. K.S.A. 2012 Supp. 79-3620 is hereby amended to read as follows: 79-3620. (a) All revenue collected or received by the director of taxation from the taxes imposed by this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury, less amounts withheld as provided in subsection (b) and amounts credited as provided in ~~subsection~~ subsections (c), (d) and (e), to the credit of the state general fund.

(continued)

(b) A refund fund, designated as "sales tax refund fund" not to exceed \$100,000 shall be set apart and maintained by the director from sales tax collections and estimated tax collections and held by the state treasurer for prompt payment of all sales tax refunds ~~including refunds authorized under the provisions of K.S.A. 79-3635, and amendments thereto.~~ Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act. In the event such fund as established by this section is, at any time, insufficient to provide for the payment of refunds due claimants thereof, the director shall certify the amount of additional funds required to the director of accounts and reports who shall promptly transfer the required amount from the state general fund to the sales tax refund fund, and notify the state treasurer, who shall make proper entry in the records.

(c) (1) The state treasurer shall credit $\frac{5}{8}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 4.9%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(3) On July 1, 2006, the state treasurer shall credit $\frac{19}{265}$ of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(5) On July 1, 2010, the state treasurer shall credit 11.427% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(6) On July 1, 2011, the state treasurer shall credit 11.26% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(7) On July 1, 2012, the state treasurer shall credit 11.233% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund, as well as such revenue collected and received at the rate of 6.3%, after June 30, 2013.

(8) On July 1, 2013, and thereafter, the state treasurer shall credit 18.421% of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.7%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, as certified by the director, from taxpayers doing business within that portion of a STAR bond project district occupied by a STAR bond project or taxpayers doing business with such entity financed by a STAR bond project as defined in K.S.A. 2012 Supp. 12-17,162, and amendments thereto, that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state or the project was designated as a STAR bond project as defined in K.S.A. 2012 Supp. 12-17,162, and amendments thereto, to the city bond finance fund, which fund is hereby created. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under subsection (d) of K.S.A. 79-3710, and amendments thereto, is sufficient to retire the special obligation bonds issued for the purpose of financing all or a portion of the costs of such STAR bond project.

(e) All revenue certified by the director of taxation as having been collected or received from the tax imposed by subsection (c) of K.S.A. 79-3603, and amendments thereto, on the sale or furnishing of gas, water, electricity and heat for use or consumption within the intermodal facility district described in this subsection, shall be credited by the state treasurer to the state highway fund. Such revenue may be transferred by the secretary of transportation to the rail service improvement fund pursuant to law. The provisions of this subsection shall take effect upon

certification by the secretary of transportation that a notice to proceed has been received for the construction of the improvements within the intermodal facility district, but not later than December 31, 2010, and shall expire when the secretary of revenue determines that the total of all amounts credited hereunder and pursuant to subsection (e) of K.S.A. 79-3710, and amendments thereto, is equal to \$53,300,000, but not later than December 31, 2045. Thereafter, all revenues shall be collected and distributed in accordance with applicable law. For all tax reporting periods during which the provisions of this subsection are in effect, none of the exemptions contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply to the sale or furnishing of any gas, water, electricity and heat for use or consumption within the intermodal facility district. As used in this subsection, "intermodal facility district" shall consist of an intermodal transportation area as defined by subsection (oo) of K.S.A. 12-1770a, and amendments thereto, located in Johnson county within the polygonal-shaped area having Waverly Road as the eastern boundary, 191st Street as the southern boundary, Four Corners Road as the western boundary, and Highway 56 as the northern boundary, and the polygonal-shaped area having Poplar Road as the eastern boundary, 183rd Street as the southern boundary, Waverly Road as the western boundary, and the BNSF mainline track as the northern boundary, that includes capital investment in an amount exceeding \$150 million for the construction of an intermodal facility to handle the transfer, storage and distribution of freight through railway and trucking operations.

Sec. 7. K.S.A. 2012 Supp. 79-4217 is hereby amended to read as follows: 79-4217. (a) There is hereby imposed an excise tax upon the severance and production of coal, oil or gas from the earth or water in this state for sale, transport, storage, profit or commercial use, subject to the following provisions of this section. Such tax shall be borne ratably by all persons within the term "producer" as such term is defined in K.S.A. 79-4216, and amendments thereto, in proportion to their respective beneficial interest in the coal, oil or gas severed. Such tax shall be applied equally to all portions of the gross value of each barrel of oil severed and subject to such tax and to the gross value of the gas severed and subject to such tax. The rate of such tax shall be 8% of the gross value of all oil or gas severed from the earth or water in this state and subject to the tax imposed under this act. The rate of such tax with respect to coal shall be \$1 per ton. For the purposes of the tax imposed hereunder the amount of oil or gas produced shall be measured or determined: (1) In the case of oil, by tank tables compiled to show 100% of the full capacity of tanks without deduction for overage or losses in handling; allowance for any reasonable and bona fide deduction for basic sediment and water, and for correction of temperature to 60 degrees Fahrenheit will be allowed; and if the amount of oil severed has been measured or determined by tank tables compiled to show less than 100% of the full capacity of tanks, such amount shall be raised to a basis of 100% for the purpose of the tax imposed by this act; and (2) in the case of gas, by meter readings showing 100% of the full volume expressed in cubic feet at a standard base and flowing temperature of 60 degrees Fahrenheit, and at the absolute pressure at which the gas is sold and purchased; correction to be made for pressure according to Boyle's law, and used for specific gravity according to the gravity at which the gas is sold and purchased, or if not so specified, according to the test made by the balance method.

(b) The following shall be exempt from the tax imposed under this section:

(1) The severance and production of gas which is: (A) Injected into the earth for the purpose of lifting oil, recycling or repressuring; (B) used for fuel in connection with the operation and development for, or production of, oil or gas in the lease or production unit where severed; (C) lawfully vented or flared; (D) severed from a well having an average daily production during a calendar month having a gross value of not more than \$87 per day, which well has not been significantly curtailed by reason of mechanical failure or other disruption of production; in the event that the production of gas from more than one well is gauged by a common meter, eligibility for exemption hereunder shall be determined by computing the gross value of the average daily combined production from all such wells and dividing the same by the number of wells gauged by such meter; (E) inadvertently lost on the lease or production unit by reason of leaks, blowouts or other accidental losses; (F) used or consumed for domestic or agricultural purposes on the lease or production unit from which it is severed; or (G) placed in underground storage for recovery at a later date and which was either originally severed outside of the state of Kansas, or as to which the tax levied pursuant to this act has been paid;

(2) the severance and production of oil which is: (A) From a lease or production unit whose average daily production is five barrels or less per producing well, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of pro-

duction; (B) from a lease or production unit, the producing well or wells upon which have a completion depth of 2,000 feet or more, and whose average daily production is six barrels or less per producing well or, if the price of oil as determined pursuant to subsection (d) is \$16 or less, whose average daily production is seven barrels or less per producing well, or, if the price of oil as determined pursuant to subsection (d) is \$15 or less, whose average daily production is eight barrels or less per producing well, or, if the price of oil as determined pursuant to subsection (d) is \$14 or less, whose average daily production is nine barrels or less per producing well, or, if the price of oil as determined pursuant to subsection (d) is \$13 or less, whose average daily production is 10 barrels or less per producing well, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (C) from a lease or production unit, whose production results from a tertiary recovery process. "Tertiary recovery process" means the process or processes described in subparagraphs (1) through (9) of 10 C.F.R. § 212.78(c) as in effect on June 1, 1979; (D) from a lease or production unit, the producing well or wells upon which have a completion depth of less than 2,000 feet and whose average daily production resulting from a water flood process, is six barrels or less per producing well, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (E) from a lease or production unit, the producing well or wells upon which have a completion depth of 2,000 feet or more, and whose average daily production resulting from a water flood process, is seven barrels or less per producing well or, if the price of oil as determined pursuant to subsection (d) is \$16 or less, whose average daily production is eight barrels or less per producing well, or, if the price of oil as determined pursuant to subsection (d) is \$15 or less, whose average daily production is nine barrels or less per producing well, or, if the price of oil as determined pursuant to subsection (d) is \$14 or less, whose average daily production is 10 barrels or less per producing well, which well or wells have not been significantly curtailed by reason of mechanical failure or other disruption of production; (F) test, frac or swab oil which is sold or exchanged for value; or (G) inadvertently lost on the lease or production unit by reason of leaks or other accidental means;

(3) (A) any taxpayer applying for an exemption pursuant to subsections (b)(2)(A) and (B) shall make application biennially to the director of taxation therefor. Exemptions granted pursuant to subsections (b)(2)(A) and (B) shall be valid for a period of two years following the date of certification thereof by the director of taxation; (B) any taxpayer applying for an exemption pursuant to subsections (b)(2)(D) or (E) shall make application biennially to the director of taxation therefor. Such application shall be accompanied by proof of the approval of an application for the utilization of a water flood process therefor by the corporation commission pursuant to rules and regulations adopted under the authority of K.S.A. 55-152, and amendments thereto, and proof that the oil produced therefrom is kept in a separate tank battery and that separate books and records are maintained therefor. Such exemption shall be valid for a period of two years following the date of certification thereof by the director of taxation; (C) any exemption granted pursuant to subsections (b)(2)(A), (B), (D) or (E) with an odd lease number and an exemption termination date between June 1, 2004, and May 31, 2005, inclusive, shall be valid for a period of one year following the date of certification; and (D) notwithstanding the provisions of paragraph (A) or (B), any exemption in effect on the effective date of this act affected by the amendments to subsection (b)(2) by this act shall be redetermined in accordance with such amendments. Any such exemption, and any new exemption established by such amendments and applied for after the effective date of this act shall be valid for a period commencing with May 1, 1998, and ending on April 30, 1999;

(4) the severance and production of gas or oil from any pool from which oil or gas was first produced on or after April 1, 1983, and prior to July 1, 2012, as determined by the state corporation commission and certified to the director of taxation, and continuing for a period of 24 months from the month in which oil or gas was first produced from such pool as evidenced by an affidavit of completion of a well, filed with the state corporation commission and certified to the director of taxation. Exemptions granted for production from any well pursuant to this paragraph shall be valid for a period of 24 months following the month in which oil or gas was first produced from such pool. The term "pool" means an underground accumulation of oil or gas in a single and separate natural reservoir characterized by a single pressure system so that production from one part of the pool affects the reservoir pressure throughout its extent;

(5) the severance and production of oil from any well within a pool from which oil was first produced on or after July 1, 2012, as certified by

the state corporation commission to the director of taxation, and from which the average daily severance and production of oil during the initial six months of production from the date of first production from such pool producing well, which well has not been significantly curtailed by reason of mechanical failure or other disruption of production, does not exceed 50 barrels per day as certified by the state corporation commission and certified to the director of taxation, and continuing for a period of 24 months from the month in which oil was first produced from such pool as evidenced by an affidavit of completion of a well, filed with the state corporation commission and certified to the director of taxation. Exemptions granted for production from any well pursuant to this subsection shall be valid for a period of 24 months following the month in which oil was first produced from such pool. The term "pool" means an underground accumulation of oil in a single and separate natural reservoir characterized by a single pressure system so that production from one part of the pool affects the reservoir pressure throughout its extent. For any such well that has qualified for exemption, if the average daily severance and production of oil from such well exceeds 50 barrels per day within any qualifying one-month production period after the initial qualifying production period, the exemption for such well shall be terminated as of the commencement of such one-month production period;

(6) the severance and production of oil or gas from a three-year inactive well, as determined by the state corporation commission and certified to the director of taxation, for a period of 10 years after the date of receipt of such certification. As used in this paragraph, "three-year inactive well" means any well that has not produced oil or gas in more than one month in the three years prior to the date of application to the state corporation commission for certification as a three-year inactive well. An application for certification as a three-year inactive well shall be in such form and contain such information as required by the state corporation commission, and shall be made prior to July 1, 1996. The commission may revoke a certification if information indicates that a certified well was not a three-year inactive well or if other lease production is credited to the certified well. Upon notice to the operator that the certification for a well has been revoked, the exemption shall not be applied to the production from that well from the date of revocation;

(7) (A) The incremental severance and production of oil or gas which results from a production enhancement project begun on or after July 1, 1998, shall be exempt for a period of seven years from the start-up date of such project. As used in this paragraph:

(1) "Incremental severance and production" means the amount of oil or natural gas which is produced as the result of a production enhancement project which is in excess of the base production of oil or natural gas, and is determined by subtracting the base production from the total monthly production after the production enhancement project is completed.

(2) "Base production" means the average monthly amount of production for the twelve-month period immediately prior to the production enhancement project beginning date, minus the monthly rate of production decline for the well or project for each month beginning 180 days prior to the project beginning date. The monthly rate of production decline shall be equal to the average extrapolated monthly decline rate for the well or project for the twelve-month period immediately prior to the production enhancement project beginning date, except that the monthly rate of production decline shall be equal to zero in the case where the well or project has experienced no monthly decline during the twelve-month period immediately prior to the production enhancement project beginning date. Such monthly rate of production decline shall be continued as the decline that would have occurred except for the enhancement project. Any well or project which may have produced during the twelve-month period immediately prior to the production enhancement project beginning date but is not capable of production on the project beginning date shall have a base production equal to zero. The calculation of the base production amount shall be evidenced by an affidavit and supporting documentation filed by the applying taxpayer with the state corporation commission.

(3) "Workover" means any downhole operation in an existing oil or gas well that is designed to sustain, restore or increase the production rate or ultimate recovery of oil or gas, including, but not limited to, acidizing, reperforation, fracture treatment, sand/paraffin/scale removal or other wellbore cleanouts, casing repair, squeeze cementing, initial installation, or enhancement of artificial lifts including plunger lifts, rods, pumps, submersible pumps and coiled tubing velocity strings, downsizing existing tubing to reduce well loading, downhole commingling, bacteria treatments, polymer treatments, upgrading the size of pumping unit equipment, setting bridge plugs to isolate water production zones, or any combination of the aforementioned operations; "workover" shall not mean the routine maintenance, routine repair, or

(continued)

like for-like replacement of downhole equipment such as rods, pumps, tubing packers or other mechanical device.

(4) "Production enhancement project" means performing or causing to be performed the following:

- (i) Workover;
- (ii) recompletion to a different producing zone in the same well bore, except recompletions in formations and zones subject to a state corporation commission proration order;
- (iii) secondary recovery projects;
- (iv) addition of mechanical devices to dewater a gas or oil well;
- (v) replacement or enhancement of surface equipment;
- (vi) installation or enhancement of compression equipment, line looping or other techniques or equipment which increases production from a well or a group of wells in a project; *or*
- (vii) new discoveries of oil or gas which are discovered as a result of the use of new technology, including, but not limited to, three dimensional seismic studies.

(B) The state corporation commission shall adopt rules and regulations necessary to efficiently and properly administer the provisions of this paragraph including rules and regulations for the qualification of production enhancement projects, the procedures for determining the monthly rate of production decline, criteria for determining the share of incremental production attributable to each well when a production enhancement project includes a group of wells, criteria for determining the start-up date for any project for which an exemption is claimed, and determining new qualifying technologies for the purposes of subsection (b)(7)(A)(4)(vii).

(C) Any taxpayer applying for an exemption pursuant to this paragraph shall make application to the director of taxation. Such application shall be accompanied by a state corporation commission certification that the production for which an exemption is sought results from a qualified production enhancement project and certification of the base production for the enhanced wells or group of wells, and the rate of decline to be applied to that base production. The secretary of revenue shall provide credit for any taxes paid between the project start-up date and the certification of qualifications by the commission.

(D) The exemptions provided for in this paragraph shall not apply for 12 months beginning July 1 of the year subsequent to any calendar year during which: (1) In the case of oil, the secretary of revenue determines that the weighted average price of Kansas oil at the wellhead has exceeded \$20.00 per barrel; or (2) in the case of natural gas the secretary of revenue determines that the weighted average price of Kansas gas at the wellhead has exceeded \$2.50 per Mcf.

(E) The provisions of this paragraph shall not affect any other exemption allowable pursuant to this section; and

(7) for the calendar year 1988, and any year thereafter, the severance or production of the first 350,000 tons of coal from any mine as certified by the state geological survey.

(c) No exemption shall be granted pursuant to subsection (b)(3) or (4) to any person who does not have a valid operator's license issued by the state corporation commission, and no refund of tax shall be made to any taxpayer attributable to any production in a period when such taxpayer did not hold a valid operator's license issued by the state corporation commission.

(d) On April 15, 1988, and on April 15 of each year thereafter, the secretary of revenue shall determine from statistics compiled and provided by the United States department of energy, the average price per barrel paid by the first purchaser of crude oil in this state for the six-month period ending on December 31 of the preceding year. Such price shall be used for the purpose of determining exemptions allowed by subsection (b)(2)(B) or (E) for the twelve-month period commencing on May 1 of such year and ending on April 30 of the next succeeding year.

New Sec. 8. (a) The following described property, to the extent herein specified, shall be exempt from all property taxes levied under the laws of Kansas:

Any new automobile manufacturing property.

(b) The provisions of subsection (a) shall apply from and after the later of the purchase or commencement of construction of such property and continue only for a period thereafter until 10 calendar years following the calendar year in which construction of such property is completed.

(c) The provisions of this section shall apply to all taxable years beginning after December 31, 2011.

(d) The owner of any new automobile manufacturing property shall pay in lieu of taxes in an amount mutually agreed to by the governing body of the appropriate taxing subdivisions and the owners as long as this exemption is in effect. The in lieu of taxes shall be paid at the same time taxes are required to be paid pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto. The county treasurer shall apportion

such in lieu of tax payments among the taxing subdivisions of this state in the territory in which the facility is located. Any payment in lieu of taxes shall be divided by the county treasurer among such taxing subdivisions in the same proportion that the amount of the total mill levy of each individual taxing subdivision bears to the aggregate of such levies of all the taxing subdivisions among which the division is to be made. The county treasurer shall pay such amounts to the taxing subdivisions at the same time or times as their regular operating tax rate mill levy is paid to them. Based upon the assessed valuation which such facility would have if it were upon the tax rolls of the county, the county clerk shall compute the total of the property taxes which would be levied upon such facility by all taxing subdivisions within which the facility is located if such property were taxable.

(e) As used in this section:

(1) "Appropriate taxing subdivisions" means the county, city or unified government jurisdiction in which the new automobile property is located; and

(2) "new automobile manufacturing property" means any real property purchased or constructed after December 31, 2011, owned by a business with an NAICS code of 336111, provided such property:

(A) Includes a building or addition to a building constructed after December 31, 2011, having not less than 50,000 square feet of floorspace; and

(B) was purchased or constructed after December 31, 2011, for a total cost of not less than \$10,000,000 including the cost of both the land and buildings.

New Sec. 9. (a) On and after July 1, 2013, if any person sells or leases tangible personal property to the state, a state department, a state agency or an agent thereof, that person and any affiliated person shall, as a prerequisite for any such sale or lease, register with the department of revenue as a retailer and comply with all legal requirements imposed on a retailer, including the requirement to collect and remit sales or use tax on all taxable sales of tangible personal property to customers in this state.

(b) Any ruling, agreement or contract, whether written or oral, express or implied, between a retailer and this state's executive branch, or any other state agency or department, stating, agreeing or ruling that the retailer is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center or fulfillment center in the state that is owned or operated by the retailer or an affiliated person of the retailer shall be null and void, unless it is specifically approved by a majority vote of each of the chambers of the Kansas legislature.

(c) As used in this section, "affiliated person" means any person that is a member of the same "controlled group of corporations" as defined in section 1563(a) of the federal internal revenue code as the retailer or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the retailer as a corporation that is a member of the same "controlled group of corporations" as defined in section 1563(a) of the federal internal revenue code.

New Sec. 10. (a) On and after July 1, 2013, watercraft shall be appraised at fair market value determined therefor pursuant to K.S.A. 79-503a, and amendments thereto, and assessed at the percentage of value as follows: (1) 11.5% in tax year 2014; and (2) 5% in tax year 2015 and all tax years thereafter. In no case shall the assessed value of any watercraft, as determined under the provisions of this section, cause the tax upon such watercraft to be less than \$12.

(b) As used in this section, "watercraft" means any vessel requiring numbering pursuant to K.S.A. 32-1110, and amendments thereto. Each watercraft may include one trailer which is designed to launch, retrieve, transport and store such watercraft and any nonelectric motor or motors which are necessary to operate such watercraft on the water.

Sec. 11. On July 1, 2013, K.S.A. 2012 Supp. 74-2433f is hereby amended to read as follows: 74-2433f. (a) There shall be a division of the state court of tax appeals known as the small claims and expedited hearings division. Hearing officers appointed by the chief hearing officer shall have authority to hear and decide cases heard in the small claims and expedited hearings division.

(b) The small claims and expedited hearings division shall have jurisdiction over hearing and deciding applications for the refund of protested taxes under the provisions of K.S.A. 79-2005, and amendments thereto, and hearing and deciding appeals from decisions rendered pursuant to the provisions of K.S.A. 79-1448, and amendments thereto, and of article 16 of chapter 79 of the Kansas Statutes Annotated, and ~~acts amendatory thereof or supplemental amendments thereto~~, with regard to single-family residential property. The filing of an appeal with the small claims and expedited hearings division shall be a prerequisite for filing an appeal with the state court of tax appeals for appeals involving single-family residential property.

(c) At the election of the taxpayer, the small claims and expedited hearings division shall have jurisdiction over: (1) Any appeal of a decision, finding, order or ruling of the director of taxation, except an appeal, finding, order or ruling relating to an assessment issued pursuant to K.S.A. 79-5201 et seq., and amendments thereto, in which the amount of tax in controversy does not exceed \$15,000; (2) hearing and deciding applications for the refund of protested taxes under the provisions of K.S.A. 79-2005, and amendments thereto, where the value of the property, other than property devoted to agricultural use, is less than \$2,000,000 as reflected on the valuation notice; and (3) hearing and deciding appeals from decisions rendered pursuant to the provisions of K.S.A. 79-1448, and amendments thereto, and of article 16 of chapter 79 of the Kansas Statutes Annotated, and ~~acts amendatory thereof or supplemental amendments~~ thereto, other than those relating to land devoted to agricultural use, wherein the value of the property is less than \$2,000,000 as reflected on the valuation notice.

(d) In accordance with the provisions of K.S.A. 74-2438, and amendments thereto, any party may elect to appeal any application or decision referenced in subsection (b) to the state court of tax appeals. Except as provided in subsection (b) regarding single-family residential property, the filing of an appeal with the small claims and expedited hearings division shall not be a prerequisite for filing an appeal with the state court of tax appeals under this section. Final decisions of the small claims and expedited hearings division may be appealed to the state court of tax appeals. An appeal of a decision of the small claims and expedited hearings division to the state court of tax appeals shall be de novo.

(e) A taxpayer shall commence a proceeding in the small claims and expedited hearings division by filing a notice of appeal in the form prescribed by the rules of the state court of tax appeals which shall state the nature of the taxpayer's claim. Notice of appeal shall be provided to the appropriate unit of government named in the notice of appeal by the taxpayer. In any valuation appeal or tax protest commenced pursuant to articles 14 and 20 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, the hearing shall be conducted in the county where the property is located or a county adjacent thereto. In any appeal from a final determination by the secretary of revenue, the hearing shall be conducted in the county in which the taxpayer resides or a county adjacent thereto.

(f) The hearing in the small claims and expedited hearings division shall be informal. The hearing officer may hear any testimony and receive any evidence the hearing officer deems necessary or desirable for a just determination of the case. A hearing officer shall have the authority to administer oaths in all matters before the hearing officer. All testimony shall be given under oath. A party may appear personally or may be represented by an attorney, a certified public accountant, a certified general appraiser, a tax representative or agent, a member of the taxpayer's immediate family or an authorized employee of the taxpayer. A county or unified government may be represented by the county appraiser, designee of the county appraiser, county attorney or counselor or other representatives so designated. No transcript of the proceedings shall be kept.

(g) The hearing in the small claims and expedited hearings division shall be conducted within 60 days after the appeal is filed in the small claims and expedited hearings division unless such time period is waived by the taxpayer. A decision shall be rendered by the hearing officer within 30 days after the hearing is concluded and, in cases arising from appeals described by subsections (b) and (c)(2) and (3), shall be accompanied by a written explanation of the reasoning upon which such decision is based. Documents provided by a taxpayer or county or district appraiser shall be returned to the taxpayer or the county or district appraiser by the hearing officer and shall not become a part of the court's permanent records. Documents provided to the hearing officer shall be confidential and may not be disclosed, except as otherwise specifically provided.

(h) With regard to any matter properly submitted to the division relating to the determination of valuation of property for taxation purposes, it shall be the duty of the county appraiser to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination. No presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination. *With regard to leased commercial and industrial property, the presumption of validity and correctness of such determination shall exist in favor of the county appraiser unless the taxpayer has furnished the county or district appraiser, within 30 calendar days following the informal meeting required by K.S.A. 79-1448, and amendments thereto, or within 30 calendar days following the informal meeting required by K.S.A. 79-2005, and amendments thereto, a complete income and expense statement for the property for the three years next preceding the year of appeal.*

Sec. 12. On July 1, 2013, K.S.A. 2012 Supp. 79-306e is hereby amended to read as follows: 79-306e. (a) The value for property tax purposes of any ~~vessel watercraft~~, as defined by ~~K.S.A. 32-1102 section 10~~, and amendments thereto, which is acquired or sold after January 1 and prior to September 1 of any taxable year shall be equal to the value determined therefor pursuant to ~~K.S.A. 79-503a section 10~~, and amendments thereto, multiplied by: (1) In the case of a sale, a fraction the numerator of which is the number of months, or major portion thereof, such ~~vessel watercraft~~ was owned by the record owner thereof during the taxable year in which such ~~vessel watercraft~~ was sold, and the denominator of which is 12; and (2) in the case of an acquisition, a fraction the numerator of which is the number of months, or major portion thereof, remaining in the taxable year after the date of acquisition by the record owner thereof, and the denominator of which is 12.

(b) On or after July 1, 2007, notice of the acquisition or sale of any such ~~vessel watercraft~~ shall be provided by the record owner thereof to the appropriate county appraiser on or before December 20 of the year of such acquisition or sale. Upon receipt of such notice, and after computation of the value of any such ~~vessel watercraft~~ in accordance with the provision of subsection (a), a notification or revised notification of value shall be mailed to the taxpayer.

(c) ~~Vessels Watercraft~~ acquired after September 1 of a taxable year shall not be subject to assessment and taxation for such year, except as provided by paragraph (1) of subsection (a).

(d) The provisions of this section shall apply to all taxable years commencing after December 31, ~~2002~~ 2013.

Sec. 13. On July 1, 2013, K.S.A. 2012 Supp. 79-1448 is hereby amended to read as follows: 79-1448. Any taxpayer may complain or appeal to the county appraiser from the classification or appraisal of the taxpayer's property by giving notice to the county appraiser within 30 days subsequent to the date of mailing of the valuation notice required by K.S.A. 79-1460, and amendments thereto, for real property, and on or before May 15 for personal property. The county appraiser or the appraiser's designee shall arrange to hold an informal meeting with the aggrieved taxpayer with reference to the property in question. At such meeting it shall be the duty of the county appraiser or the county appraiser's designee to initiate production of evidence to substantiate the valuation of such property, including the affording to the taxpayer of the opportunity to review the data sheet of comparable sales utilized in the determination of such valuation. *In any appeal from the appraisal of leased commercial and industrial property, the county or district appraiser's appraised value shall be presumed to be valid and correct and may only be rebutted by a preponderance of the evidence, unless the property owner furnishes the county or district appraiser a complete income and expense statement for the property for the three years next preceding the year of appeal within 30 calendar days following the informal meeting.* The county appraiser may extend the time in which the taxpayer may informally appeal from the classification or appraisal of the taxpayer's property for just and adequate reasons. Except as provided in K.S.A. 79-1404, and amendments thereto, no informal meeting regarding real property shall be scheduled to take place after May 15, nor shall a final determination be given by the appraiser after May 20. Any final determination shall be accompanied by a written explanation of the reasoning upon which such determination is based when such determination is not in favor of the taxpayer. Any taxpayer who is aggrieved by the final determination of the county appraiser may appeal to the hearing officer or panel appointed pursuant to K.S.A. 79-1611, and amendments thereto, and such hearing officer, or panel, for just cause shown and recorded, is authorized to change the classification or valuation of specific tracts or individual items of real or personal property in the same manner provided for in K.S.A. 79-1606, and amendments thereto. In lieu of appealing to a hearing officer or panel appointed pursuant to K.S.A. 79-1611, and amendments thereto, any taxpayer aggrieved by the final determination of the county appraiser, except with regard to land devoted to agricultural use, wherein the value of the property, is less than \$2,000,000, as reflected on the valuation notice, or the property constitutes single family residential property, may appeal to the small claims and expedited hearings division of the state court of tax appeals within the time period prescribed by K.S.A. 79-1606, and amendments thereto. Any taxpayer who is aggrieved by the final determination of a hearing officer or panel may appeal to the state court of tax appeals as provided in K.S.A. 79-1609, and amendments thereto. An informal meeting with the county appraiser or the appraiser's designee shall be a condition precedent to an appeal to the county or district hearing panel.

Sec. 14. On July 1, 2013, K.S.A. 2012 Supp. 79-1609 is hereby amended to read as follows: 79-1609. Any person aggrieved by any order of the hearing officer or panel may appeal to the state court of tax

(continued)

appeals by filing a written notice of appeal, on forms approved by the state court of tax appeals and provided by the county clerk for such purpose, stating the grounds thereof and a description of any comparable property or properties and the appraisal thereof upon which they rely as evidence of inequality of the appraisal of their property, if that be a ground of the appeal, with the state court of tax appeals and by filing a copy thereof with the county clerk within 30 days after the date of the order from which the appeal is taken. A county or district appraiser may appeal to the state court of tax appeals from any order of the hearing officer or panel. With regard to any matter properly submitted to the court relating to the determination of valuation of residential property or real property used for commercial and industrial purposes for taxation purposes, it shall be the duty of the county appraiser to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination ~~except that no such duty shall accrue with regard to leased commercial and industrial property unless the property owner has furnished to the county or district appraiser a complete income and expense statement for the property for the three years next preceding the year of appeal. No presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination.~~ *With regard to leased commercial and industrial property, the presumption of validity and correctness of such determination shall exist in favor of the county or district appraiser unless, within 30 calendar days following the informal meeting required by K.S.A. 79-1448, and amendments thereto, the taxpayer furnished to the county or district appraiser complete income and expense statements for the property for the three years next preceding the year of appeal.*

Sec. 15. On July 1, 2013, K.S.A. 2012 Supp. 79-1701a is hereby amended to read as follows: 79-1701a. Any taxpayer, the county appraiser or the county clerk shall, on their own motion, request the board of county commissioners to order the correction of the clerical errors in the appraisal, assessment or tax rolls as described in K.S.A. 79-1701, and amendments thereto. The board of county commissioners of the several counties are hereby authorized to order the correction of clerical errors, specified in K.S.A. 79-1701, and amendments thereto, in the appraisal, assessment or tax rolls for the current year and the immediately preceding two years during the period on and after November 1 of each year. If a county treasurer has collected and distributed the property taxes of a taxpayer and it shall thereafter be determined that the tax computed and paid was based on an erroneous assessment due to a clerical error which resulted in an overpayment of taxes by the taxpayer, and such error is corrected under the provisions hereof then the county commissioners may direct a refund in the amount of the overpayment plus interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum, from the date of payment from tax moneys collected during the current year and approve a claim therefor. If all or any portion of the taxes on such property remain unpaid, the board of county commissioners shall cancel that portion of such unpaid taxes which were assessed on the basis of the error which is being corrected. In lieu of taking such a refund the taxpayer may, at the taxpayer's option, be allowed a credit on the current year's taxes in the amount of the overpayment plus interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, from the date of payment for the previous year. In the event the error results in an understatement of value or taxes as a result of ~~a mathematical miscomputation on the part of the county,~~ *the correction of the clerical errors listed in subsection (a), (c), (f) or (g) of K.S.A. 79-1701, and amendments thereto,* and the board of county commissioners of the several counties are hereby authorized to correct such error and order an additional assessment or tax bill, or both, to be issued, except that, in no such case shall the taxpayer be assessed interest or penalties on any tax which may be assessed. If such error applies to property which has been sold or otherwise transferred subsequent to the time the error was made, no such additional assessment or tax bill shall be issued.

Sec. 16. On July 1, 2013, K.S.A. 2012 Supp. 79-1702 is hereby amended to read as follows: 79-1702. If any taxpayer, municipality or taxing district shall have a grievance described under the provisions of K.S.A. 79-1701 or 79-1701a, and amendments thereto, which is not remediable thereunder solely because not reported within the time prescribed therein, or which was remediable thereunder and reported to the proper official or officials within the time prescribed but which has not been remedied by such official or officials, such grievance may be presented to the state court of tax appeals and if it shall be satisfied from competent evidence produced that there is a real grievance, it may direct that the same be remedied either by canceling the tax, if uncollected, together with all penalties charged thereon, or if the tax has been paid, by ordering a refund of the amount found to have been unlawfully

charged and collected and interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, minus two percentage points.

In all cases where the identical property owned by any taxpayer has been assessed for the current tax year in more than one county in the state, the court is hereby given authority to determine which county is entitled to the assessment of the property and to charge legal taxes thereon, and if the taxes have been paid in a county not entitled thereto, the court is hereby empowered to direct the authorities of the county which has so unlawfully collected the taxes to refund the same to the taxpayer with all penalties charged thereon.

No tax grievance shall be considered by the state court of tax appeals unless the same is filed within four years from the date the tax would have become a lien on real estate.

In all cases where an error results in an understatement of values or taxes as a result of ~~a mathematical miscomputation on the part of a county~~ *the correction of the clerical errors listed in subsection (a), (c), (f) or (g) of K.S.A. 79-1701, and amendments thereto,* the state court of tax appeals, if it shall be satisfied from competent evidence produced that there is an understatement as a result of a clerical error, may order an additional assessment or tax bill, or both, to be issued so that the proper value of the property in question is reflected, except that, in no such case shall the taxpayer be assessed interest or penalties on any tax which may be assessed. No increase shall be ordered to correct such error that extends back more than two years from the date of the most recent tax year. If such error applies to property which has been sold or otherwise transferred subsequent to the time the error was made, no such additional assessment or tax bill shall be issued.

Errors committed in the valuation and assessment process that are not specifically described in K.S.A. 79-1701, and amendments thereto, shall be remediable only under the provisions of K.S.A. 79-2005, and amendments thereto.

Sec. 17. On July 1, 2013, K.S.A. 2012 Supp. 79-2005 is hereby amended to read as follows: 79-2005. (a) Any taxpayer, before protesting the payment of such taxpayer's taxes, shall be required, either at the time of paying such taxes, or, if the whole or part of the taxes are paid prior to December 20, no later than December 20, or, with respect to taxes paid in whole or in part in an amount equal to at least ½ of such taxes on or before December 20 by an escrow or tax service agent, no later than January 31 of the next year, to file a written statement with the county treasurer, on forms approved by the state court of tax appeals and provided by the county treasurer, clearly stating the grounds on which the whole or any part of such taxes are protested and citing any law, statute or facts on which such taxpayer relies in protesting the whole or any part of such taxes. When the grounds of such protest is an assessment of taxes made pursuant to K.S.A. 79-332a and 79-1427a, and amendments thereto, the county treasurer may not distribute the taxes paid under protest until such time as the appeal is final. When the grounds of such protest is that the valuation or assessment of the property upon which the taxes are levied is illegal or void, the county treasurer shall forward a copy of the written statement of protest to the county appraiser who shall within 15 days of the receipt thereof, schedule an informal meeting with the taxpayer or such taxpayer's agent or attorney with reference to the property in question. The county appraiser shall review the appraisal of the taxpayer's property with the taxpayer or such taxpayer's agent or attorney and may change the valuation of the taxpayer's property, if in the county appraiser's opinion a change in the valuation of the taxpayer's property is required to assure that the taxpayer's property is valued according to law, and shall, within 15 business days thereof, notify the taxpayer in the event the valuation of the taxpayer's property is changed, in writing of the results of the meeting. In the event the valuation of the taxpayer's property is changed and such change requires a refund of taxes and interest thereon, the county treasurer shall process the refund in the manner provided by subsection (l).

(b) No protest appealing the valuation or assessment of property shall be filed pertaining to any year's valuation or assessment when an appeal of such valuation or assessment was commenced pursuant to K.S.A. 79-1448, and amendments thereto, nor shall the second half payment of taxes be protested when the first half payment of taxes has been protested. Notwithstanding the foregoing, this provision shall not prevent any subsequent owner from protesting taxes levied for the year in which such property was acquired, nor shall it prevent any taxpayer from protesting taxes when the valuation or assessment of such taxpayer's property has been changed pursuant to an order of the director of property valuation.

(c) A protest shall not be necessary to protect the right to a refund of taxes in the event a refund is required because the final resolution of an appeal commenced pursuant to K.S.A. 79-1448, and amendments thereto, occurs after the final date prescribed for the protest of taxes.

(d) If the grounds of such protest shall be that the valuation or assessment of the property upon which the taxes so protested are levied is illegal or void, such statement shall further state the exact amount of valuation or assessment which the taxpayer admits to be valid and the exact portion of such taxes which is being protested.

(e) If the grounds of such protest shall be that any tax levy, or any part thereof, is illegal, such statement shall further state the exact portion of such tax which is being protested.

(f) Upon the filing of a written statement of protest, the grounds of which shall be that any tax levied, or any part thereof, is illegal, the county treasurer shall mail a copy of such written statement of protest to the state court of tax appeals and the governing body of the taxing district making the levy being protested.

(g) Within 30 days after notification of the results of the informal meeting with the county appraiser pursuant to subsection (a), the protesting taxpayer may, if aggrieved by the results of the informal meeting with the county appraiser, appeal such results to the state court of tax appeals.

(h) After examination of the copy of the written statement of protest and a copy of the written notification of the results of the informal meeting with the county appraiser in cases where the grounds of such protest is that the valuation or assessment of the property upon which the taxes are levied is illegal or void, the court shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act, unless waived by the interested parties in writing. If the grounds of such protest is that the valuation or assessment of the property is illegal or void the court shall notify the county appraiser thereof.

(i) In the event of a hearing, the same shall be originally set not later than 90 days after the filing of the copy of the written statement of protest and a copy, when applicable, of the written notification of the results of the informal meeting with the county appraiser with the court. With regard to any matter properly submitted to the court relating to the determination of valuation of residential property or real property used for commercial and industrial purposes for taxation purposes, it shall be the duty of the county appraiser to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination except that no such duty shall accrue to the county or district appraiser with regard to leased commercial and industrial property unless the property owner has furnished to the county or district appraiser a complete income and expense statement for the property for the three years next preceding the year of appeal. No presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination. In all instances where the court sets a request for hearing and requires the representation of the county by its attorney or counselor at such hearing, the county shall be represented by its county attorney or counselor.

(j) When a determination is made as to the merits of the tax protest, the court shall render and serve its order thereon. The county treasurer shall notify all affected taxing districts of the amount by which tax revenues will be reduced as a result of a refund.

(k) If a protesting taxpayer fails to file a copy of the written statement of protest and a copy, when applicable, of the written notification of the results of the informal meeting with the county appraiser with the court within the time limit prescribed, such protest shall become null and void and of no effect whatsoever.

(l) (1) In the event the court orders that a refund be made pursuant to this section or the provisions of K.S.A. 79-1609, and amendments thereto, or a court of competent jurisdiction orders that a refund be made, and no appeal is taken from such order, or in the event a change in valuation which results in a refund pursuant to subsection (a), the county treasurer shall, as soon thereafter as reasonably practicable, refund to the taxpayer such protested taxes and, with respect to protests or appeals commenced after the effective date of this act, interest computed at the rate prescribed by K.S.A. 79-2968, and amendments thereto, minus two percentage points, per annum from the date of payment of such taxes from tax moneys collected but not distributed. Upon making such refund, the county treasurer shall charge the fund or funds having received such protested taxes, except that, with respect to that portion of any such refund attributable to interest the county treasurer shall charge the county general fund. In the event that the state court of tax appeals or a court of competent jurisdiction finds that any time delay in making its decision is unreasonable and is attributable to the taxpayer, it may order that no interest or only a portion thereof be added to such refund of taxes.

(2) No interest shall be allowed pursuant to paragraph (1) in any case where the tax paid under protest was inclusive of delinquent taxes.

(m) Whenever, by reason of the refund of taxes previously received or the reduction of taxes levied but not received as a result of decreases

in assessed valuation, it will be impossible to pay for imperative functions for the current budget year, the governing body of the taxing district affected may issue no-fund warrants in the amount necessary. Such warrants shall conform to the requirements prescribed by K.S.A. 79-2940, and amendments thereto, except they shall not bear the notation required by such section and may be issued without the approval of the state court of tax appeals. The governing body of such taxing district shall make a tax levy at the time fixed for the certification of tax levies to the county clerk next following the issuance of such warrants sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized by law.

(n) Whenever a taxpayer appeals to the court of tax appeals pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, or pays taxes under protest related to one property whereby the assessed valuation of such property exceeds 5% of the total county assessed valuation of all property located within such county and the taxpayer receives a refund of such taxes paid under protest or a refund made pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, the county treasurer or the governing body of any taxing subdivision within a county may request the pooled money investment board to make a loan to such county or taxing subdivision as provided in this section. The pooled money investment board is authorized and directed to loan to such county or taxing subdivision sufficient funds to enable the county or taxing subdivision to refund such taxes to the taxpayer. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments of the state of Kansas to provide the funds for such loan. Each loan shall bear interest at a rate equal to the net earnings rate of the pooled money investment portfolio at the time of the making of such loan. The total aggregate amount of 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. Such loan shall not be deemed to be an indebtedness or debt of the state of Kansas within the meaning of section 6 of article 11 of the constitution of the state of Kansas. Upon certification to the pooled money investment board by the county treasurer or governing body of the amount of each loan authorized pursuant to this subsection, the pooled money investment board shall transfer each such amount certified by the county treasurer or governing body from the state bank account or accounts prescribed in this subsection to the county treasurer who shall deposit such amount in the county treasury. Any such loan authorized pursuant to this subsection shall be repaid within four years. The county or taxing subdivision shall make not more than four equal annual tax levies at the time fixed for the certification of tax levies to the county clerk following the making of such loan sufficient to pay such loan within the time period required under such loan. All such tax levies shall be in addition to all other levies authorized by law.

(o) The county treasurer shall disburse to the proper funds all portions of taxes paid under protest and shall maintain a record of all portions of such taxes which are so protested and shall notify the governing body of the taxing district levying such taxes thereof and the director of accounts and reports if any tax protested was levied by the state.

(p) This statute shall not apply to the valuation and assessment of property assessed by the director of property valuation and it shall not be necessary for any owner of state assessed property, who has an appeal pending before the state court of tax appeals, to protest the payment of taxes under this statute solely for the purpose of protecting the right to a refund of taxes paid under protest should that owner be successful in that appeal.

Sec. 18. On July 1, 2013, K.S.A. 2012 Supp. 79-3702 is hereby amended to read as follows: 79-3702. For the purposes of this act: (a) "Purchase price" means the consideration paid or given or contracted to be paid or given by any person to the seller of an article of tangible personal property for the article purchased. The term shall include, in addition to the consideration paid or given or contracted to be paid or given, the actual cost of transportation from the place where the article was purchased to the person using the same in this state. If a cash discount is allowed and taken on the sale it shall be deducted in arriving at the purchase price.

(b) The meaning ascribed to words and phrases in K.S.A. 79-3602, and amendments thereto, insofar as is practicable, shall be applicable herein unless otherwise provided. The provisions of K.S.A. 79-3601 to 79-3625, inclusive, 79-3650, K.S.A. 2012 Supp. 79-3693 and 79-3694, and amendments thereto, relating to enforcement, collection and administration, insofar as practicable, shall have full force and effect with respect to taxes imposed under the provisions of this act.

(c) "Use" means the exercise within this state by any person of any right or power over tangible personal property incident to the owner-

(continued)

ship of that property, except that it shall not include processing, or the sale of the property in the regular course of business, and except storage as hereinafter defined.

(d) "Storage" means any keeping or retaining in this state for any purpose except sale in the regular course of business or subsequent use solely outside this state of tangible personal property purchased from a retailer.

(e) "Storage" and "use" do not include the keeping, retaining or exercising of any right or power over tangible personal property shipped or brought into this state for the purpose of subsequently transporting it outside the state for use thereafter solely outside the state, or for the purpose of being processed, fabricated, or manufactured into, attached to or incorporated into, other tangible personal property to be transported outside the state and thereafter used solely outside the state.

(f) "Property used in processing" means: (1) Any tangible personal property which, when used in fabrication, compounding, manufacturing or germination, becomes an integral part of the new article resulting from such fabrication, compounding, manufacturing, or germination, and intended to be sold ultimately at retail; and (2) fuel which is consumed in creating power, heat, or steam for processing or for generating electric current.

(g) "Retailer" means every person engaged in the business of selling tangible personal property for use within the meaning of this act, except that, when in the opinion of the director it is necessary for the efficient administration of this act to regard any salesperson, representatives, truckers, peddlers or canvassers as the agents of the dealers, distributors, supervisors, employers or persons under whom they operate or from whom they obtain the tangible personal property sold by them, irrespective of whether they are making sales on their own behalf or on behalf of such dealers, distributors, supervisors, employers, or persons, the director may so regard them and may regard the dealers, distributors, supervisors, employers, or persons as retailers for the purposes of this act.

(h) (1) "Retailer doing business in this state" or any like term, means: (A) Any retailer ~~having or~~ maintaining in this state, permanently, temporarily, directly or indirectly through a subsidiary, agent or representative, an office, distribution house, sales house, warehouse or other place of business;

(B) any retailer ~~having~~ utilizing an employee, independent contractor, agent, representative, salesperson, canvasser ~~or, solicitor or other person~~ operating in this state either permanently or temporarily, ~~under the authority of the retailer or its subsidiary,~~ for the purpose of selling, delivering, installing, assembling, servicing, repairing, soliciting sales or the taking of orders for tangible personal property;

(C) any retailer, including a contractor, repair person or other service provider, who enters this state to perform services that are enumerated in K.S.A. 79-3603, and amendments thereto, and who is required to secure a retailer's sales tax registration certificate before performing those services;

(D) any retailer deriving rental receipts from a lease of tangible personal property situated in this state;

(E) ~~any person having a franchisee or licensee operating under its trade name if the franchisee or the licensee is required to collect the tax under the Kansas retailers' sales tax act;~~

(F) any person regularly maintaining a stock of tangible personal property in this state for sale in the normal course of business; and

(G) any retailer who has any other contact with this state that would allow this state to require the retailer to collect and remit tax under the provisions of the constitution and laws of the United States.

(2) A retailer shall be presumed to be doing business in this state if any of the following occur:

(A) Both of the following conditions exist:

(i) ~~The retailer holds a substantial ownership interest in, or is owned in whole substantial part by, a retailer maintaining a sales location in Kansas; and~~

(ii) ~~the retailer sells the same or a substantially similar line of products as the related Kansas retailer and does so under the same or a substantially similar business name, or the Kansas facilities or Kansas employees of the related Kansas retailer are used to advertise, promote or facilitate sales by the retailer to consumers.~~

(B) ~~The retailer holds a substantial ownership interest in, or is owned in whole or in substantial part by, a business that maintains a distribution house, sales house, warehouse or similar place of business in Kansas that delivers property sold by the retailer to consumers.~~

(C) ~~For purposes of paragraphs (A) and (B):~~

(i) ~~"Substantial ownership interest" means an interest in an entity that is not less than the degree of ownership of equity interest in an entity that is specified by Section 78p of Title 15 of the United States~~

~~Code, or any successor to that statute, with respect to a person other than a director or officer; and~~

(ii) ~~"ownership" means and includes both direct ownership, and indirect ownership through a parent, subsidiary or affiliate. Any person, other than a common carrier acting in its capacity as such, that has nexus with the state sufficient to require such person to collect and remit taxes under the provisions of the constitution and laws of the United States if such person were making taxable retail sales of tangible personal property or services in this state:~~

(i) ~~Sells the same or a substantially similar line of products as the retailer and does so under the same or a substantially similar business name;~~

(ii) ~~maintains a distribution house, sales house, warehouse or similar place of business in Kansas that delivers or facilitates the sale or delivery of property sold by the retailer to consumers;~~

(iii) ~~uses trademarks, service marks, or trade names in the state that are the same or substantially similar to those used by the retailer;~~

(iv) ~~delivers, installs, assembles or performs maintenance services for the retailer's customers within the state;~~

(v) ~~facilitates the retailer's delivery of property to customers in the state by allowing the retailer's customers to pick up property sold by the retailer at an office, distribution facility, warehouse, storage place or similar place of business maintained by the person in the state;~~

(vi) ~~has a franchisee or licensee operating under its trade name if the franchisee or the licensee is required to collect the tax under the Kansas retailers' sales tax act; or~~

(vii) ~~conducts any other activities in the state that are significantly associated with the retailer's ability to establish and maintain a market in the state for the retailer's sales.~~

(B) ~~Any affiliated person conducting activities in this state described in subparagraph (A) or (C) has nexus with this state sufficient to require such person to collect and remit taxes under the provisions of the constitution and laws of the United States if such person were making taxable retail sales of tangible personal property or services in this state.~~

(C) ~~The retailer enters into an agreement with one or more residents of this state under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link or an internet website, by telemarketing, by an in-person oral presentation, or otherwise, to the retailer, if the cumulative gross receipts from sales by the retailer to customers in the state who are referred to the retailer by all residents with this type of an agreement with the retailer is in excess of \$10,000 during the preceding 12 months. This presumption may be rebutted by submitting proof that the residents with whom the retailer has an agreement did not engage in any activity within the state that was significantly associated with the retailer's ability to establish or maintain the retailer's market in the state during the preceding 12 months. Such proof may consist of sworn written statements from all of the residents with whom the retailer has an agreement stating that they did not engage in any solicitation in the state on behalf of the retailer during the preceding year, provided that such statements were provided and obtained in good faith. This subparagraph shall take effect 90 days after the enactment of this statute and shall apply to sales made and uses occurring on or after the effective date of this subparagraph and without regard to the date the retailer and the resident entered into the agreement described in this subparagraph. The term "preceding 12 months" as used in this subparagraph includes the 12 months commencing prior to the effective date of this subparagraph.~~

(D) ~~The presumptions in subparagraphs (A) and (B) may be rebutted by demonstrating that the activities of the person or affiliated person in the state are not significantly associated with the retailer's ability to establish or maintain a market in this state for the retailer's sales.~~

(3) The processing of orders electronically, by fax, telephone, the internet or other electronic ordering process, does not relieve a retailer of responsibility for collection of the tax from the purchaser if the retailer is doing business in this state pursuant to this section.

(i) "Director" means the director of taxation.

(j) ~~As used in this section, "affiliated person" means any person that is a member of the same "controlled group of corporations" as defined in section 1563(a) of the federal internal revenue code as the retailer or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the retailer as a corporation that is a member of the same "controlled group of corporations" as defined in section 1563(a) of the federal internal revenue code.~~

Sec. 19. K.S.A. 79-32,109 and 79-3632 and K.S.A. 2012 Supp. 79-32,117, 79-32,117n, 79-32,118, 79-32,266, 79-3620, 79-3639a and 79-4217 are hereby repealed.

Sec. 20. On July 1, 2013, K.S.A. 2012 Supp. 74-2433f, 75-5162, 79-306e, 79-1448, 79-1609, 79-1701a, 79-1702, 79-2005 and 79-3702 are hereby repealed.

Sec. 21. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 25, 2013.)

SENATE BILL No. 111

AN ACT concerning native Americans; amending K.S.A. 35-205 and K.S.A. 2012 Supp. 38-2285 and repealing the existing sections.

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

Section 1. K.S.A. 35-205 is hereby amended to read as follows: 35-205. (a) The fourth Saturday of September of the present year of our Lord 1945, and the fourth Saturday of September of each year thereafter is hereby designated as "Native American Indian Day."

(b) *The first Wednesday of February of 2014, and the first Wednesday of February of each year thereafter is hereby designated as "Native American Legislative Day at the Capitol."*

Sec. 2. K.S.A. 2012 Supp. 38-2285 is hereby amended to read as follows: 38-2285. (a) The board of education of a school district shall award a high school diploma to any person requesting a diploma if such person: (1) Is at least 17 years of age; (2) is enrolled or resides in such school district; (3) is or has been a child in the custody of the secretary, or in the custody of a federally recognized Indian tribe in this state, at any time on or after such person's 14th birthday; and (4) has achieved at least the minimum high school graduation requirements adopted by the state board of education.

(b) This section shall be part of and supplemental to the revised Kansas code for care of children.

Sec. 3. K.S.A. 35-205 and K.S.A. 2012 Supp. 38-2285 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 25, 2013.)

Senate Substitute for HOUSE BILL No. 2167

AN ACT concerning fireworks; amending K.S.A. 2012 Supp. 31-505 and repealing the existing section; also repealing K.S.A. 31-155 and 31-156.

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

New Section 1. (a) If fireworks are found to be stored, possessed or transported in violation of the Kansas fireworks act or any state fire marshal regulation, such fireworks may be seized by the state fire marshal or other state or local law enforcement agency. The seizing authority shall inventory all seized items and provide a copy of the inventory to the person from whom the fireworks were seized upon completion of the seizure. Reasonable costs for the storage and destruction of such fireworks shall be assessed against the party found to be in violation of the state fireworks act or regulations, except that if a hearing is requested pursuant to subsection (b), no person shall be assessed for storage costs incurred for more than 60 days after the completion of judicial review or the expiration of the time for seeking judicial review.

(b) The owner of any fireworks seized under subsection (a) may make written demand upon the state fire marshal for a hearing pursuant to the Kansas administrative procedure act. Where, after hearing, the state fire marshal finds that there has been a violation of the provisions of the Kansas fireworks act or state fire marshal regulations, the state fire marshal may destroy or order the destruction of such fireworks or direct such other disposition of the fireworks as is deemed proper. Unless necessary to protect against a substantial threat to the public health, safety or welfare, the fireworks shall not be destroyed until the completion of judicial review or expiration of the time for seeking judicial review. If the state fire marshal finds there has been no violation, the fireworks shall be returned to their owner.

(c) Where no claimant has appeared within 60 days of the seizure, demanded the return of the fireworks and proved, to the satisfaction of the state fire marshal, the claimant's title to and right of possession of such fireworks, the state fire marshal may, without process and without liability, destroy or order the destruction of the fireworks or direct such other disposition thereof as is deemed proper.

(d) Any provision herein to the contrary notwithstanding, where the manufacture, condition, storage, packing or location of fireworks is such that their continued existence or transportation is an immediate danger to public safety, health or welfare, the state fire marshal or authorized representative thereof may apply to the court which has jurisdiction over such fireworks for an emergency ex parte order authorizing the

state fire marshal or authorized representative to destroy or dispose of the fireworks without liability to the owner thereof.

New Sec. 2. (a) In addition to any other penalty provided by law, the state fire marshal, upon finding that any person has violated the provisions of the Kansas fireworks act or any rules and regulations adopted thereunder, may impose a civil penalty as follows:

(1) For failure to obtain a license as required by K.S.A. 31-503, and amendments thereto, the civil penalty shall not exceed \$1,000 per violation and, in the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

(2) For all other violations, the civil penalty shall not exceed \$1,000 per violation, and in the case of a continuing violation, every day such violation continues after the state fire marshal has provided the person with written notice of the violation shall be deemed a separate violation.

(b) All moneys received from penalties imposed pursuant to this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

New Sec. 3. There is hereby established in the state treasury a separate, nonlapsing fund to be known as the explosives regulatory and training fund which shall be administered by the state fire marshal. Money deposited to the credit of the fund as provided in K.S.A. 2012 Supp. 31-505, and amendments thereto, in addition to any other money made available for such purposes, shall be made available to the state fire marshal to support fireworks and explosives regulatory and training programs.

New Sec. 4. Except as otherwise provided in section 2, and amendments thereto, proceedings under the Kansas fireworks act shall be conducted in accordance with the Kansas administrative procedure act. Judicial review and civil enforcement of agency actions under the Kansas fireworks act shall be in accordance with the Kansas judicial review act.

New Sec. 5. (a) Except as provided in subsection (c):

(1) It shall be unlawful to sell, offer to sell, or to possess with intent to sell or offer for sale a bottle rocket; and

(2) it shall be unlawful to ignite, fire, set off or otherwise use a bottle rocket.

(b) Any person violating the provisions of subsection (a) shall be guilty of an unclassified misdemeanor punishable by a fine of not more than \$100.

(c) The provisions of this section shall not prohibit the possession, transportation or sale of bottle rockets within Kansas by a person that is currently registered with the state fire marshal pursuant to section 6, and amendments thereto, to another currently registered person or to a non-registered person provided the non-registered purchaser submits a certification for resale outside the state of Kansas to the registered seller on a form prescribed by the state fire marshal. The registered seller shall send the certification to the office of the state fire marshal and maintain a copy of the certification for one year from the date of sale.

(d) "Bottle rocket" means any pyrotechnic device which:

(1) Is classified as a class C explosive by the United States department of transportation under 49 C.F.R. § 173.53 (1990);

(2) is mounted on a stick or wire; and

(3) projects into the air when ignited, with or without reports, and includes any device with the same configuration, with or without reports, which may be classified as a pipe or trough rocket. "Bottle rocket" does not include helicopter-type rockets.

New Sec. 6. (a) Any person who manufactures bottle rockets or sells bottle rockets at wholesale and who desires to possess, sell or transport any bottle rockets in this state pursuant to section 5, and amendments thereto, shall register annually with the state fire marshal. Such registration shall entitle the manufacturer or wholesaler to possess, sell and transport bottle rockets in this state for the purpose of selling to another registered wholesaler or to a non-registered person provided the purchaser submits a certificate for resale outside the state of Kansas to the registered seller in accordance with section 5, and amendments thereto. Registration shall be effective for one year from the date of registration.

(b) The provisions of this section shall not require registration by a purchaser when the sale occurs in Kansas and the purchaser will transport the bottle rockets out of the state of Kansas for resale and provides the registered seller with a certificate for sale outside the state in accordance with section 5, and amendments thereto.

(c) The state fire marshal shall adopt rules and regulations necessary to enforce the provisions of section 5, and amendments thereto, and this section.

(continued)

New Sec. 7. Sections 1 through 6, and amendments thereto, shall be part of and supplemental to the Kansas fireworks act, K.S.A. 31-501 et seq., and amendments thereto.

Sec. 8. K.S.A. 2012 Supp. 31-505 is hereby amended to read as follows: 31-505. (a) All fees collected pursuant to this act shall be transmitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the ~~state fire marshal fee~~ explosives regulatory and training fund.

Sec. 9. K.S.A. 31-155 and 31-156 and K.S.A. 2012 Supp. 31-505 are hereby repealed.

Sec. 10. This act shall take effect and be in force from and after its publication in the Kansas register.

(Published in the Kansas Register April 25, 2013.)

SENATE BILL No. 102

AN ACT enacting the second amendment protection act.

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

Section 1. Sections 1 through 11, and amendments thereto, may be cited as the second amendment protection act.

Sec. 2. The legislature declares that the authority for sections 1 through 11, and amendments thereto, is the following:

(a) The tenth amendment to the constitution of the United States guarantees to the states and their people all powers not granted to the federal government elsewhere in the constitution and reserves to the state and people of Kansas certain powers as they were understood at the time that Kansas was admitted to statehood in 1861. The guaranty of those powers is a matter of contract between the state and people of Kansas and the United States as of the time that the compact with the United States was agreed upon and adopted by Kansas in 1859 and the United States in 1861.

(b) The ninth amendment to the constitution of the United States guarantees to the people rights not granted in the constitution and reserves to the people of Kansas certain rights as they were understood at the time that Kansas was admitted to statehood in 1861. The guaranty of those rights is a matter of contract between the state and people of Kansas and the United States as of the time that the compact with the United States was agreed upon and adopted by Kansas in 1859 and the United States in 1861.

(c) The second amendment to the constitution of the United States reserves to the people, individually, the right to keep and bear arms as that right was understood at the time that Kansas was admitted to statehood in 1861, and the guaranty of that right is a matter of contract between the state and people of Kansas and the United States as of the time that the compact with the United States was agreed upon and adopted by Kansas in 1859 and the United States in 1861.

(d) Section 4 of the bill of rights of the constitution of the state of Kansas clearly secures to Kansas citizens, and prohibits government interference with, the right of individual Kansas citizens to keep and bear arms. This constitutional protection is unchanged from the constitution of the state of Kansas, which was approved by congress and the people of Kansas, and the right exists as it was understood at the time that the compact with the United States was agreed upon and adopted by Kansas in 1859 and the United States in 1861.

Sec. 3. As used in sections 1 through 11, and amendments thereto, the following definitions apply:

(a) "Borders of Kansas" means the boundaries of Kansas described in the act for admission of Kansas into the union, 12 stat. 126, ch. 20, § 1.

(b) "Firearms accessories" means items that are used in conjunction with or mounted upon a firearm but are not essential to the basic function of a firearm, including, but not limited to, telescopic or laser sights, magazines, flash or sound suppressors, collapsible or adjustable stocks and grips, pistol grips, thumbhole stocks, speedloaders, ammunition carriers and lights for target illumination.

(c) "Manufacture" means to assemble using multiple components to create a more useful finished product.

Sec. 4. (a) A personal firearm, a firearm accessory or ammunition that is manufactured commercially or privately and owned in Kansas and that remains within the borders of Kansas is not subject to any federal law, treaty, federal regulation, or federal executive action, including any federal firearm or ammunition registration program, under

the authority of congress to regulate interstate commerce. It is declared by the legislature that those items have not traveled in interstate commerce. This section applies to a firearm, a firearm accessory or ammunition that is manufactured commercially or privately and owned in the state of Kansas.

(b) Component parts are not firearms, firearms accessories or ammunition, and their importation into Kansas and incorporation into a firearm, a firearm accessory or ammunition manufactured and owned in Kansas does not subject the firearm, firearm accessory or ammunition to federal regulation. It is declared by the legislature that such component parts are not firearms, firearms accessories or ammunition and are not subject to congressional authority to regulate firearms, firearms accessories and ammunition under interstate commerce as if they were actually firearms, firearms accessories or ammunition.

(c) Firearms accessories that are imported into Kansas from another state and that are subject to federal regulation as being in interstate commerce do not subject a firearm to federal regulation under interstate commerce because they are attached to or used in conjunction with a firearm in Kansas.

Sec. 5. A firearm manufactured in Kansas within the meaning of sections 1 through 11, and amendments thereto, must have the words "Made in Kansas" clearly stamped on a central metallic part, such as the receiver or frame.

Sec. 6. (a) Any act, law, treaty, order, rule or regulation of the government of the United States which violates the second amendment to the constitution of the United States is null, void and unenforceable in the state of Kansas.

(b) No official, agent or employee of the state of Kansas, or any political subdivision thereof, shall enforce or attempt to enforce any act, law, treaty, order, rule or regulation of the government of the United States regarding any personal firearm, firearm accessory or ammunition that is manufactured commercially or privately and owned in the state of Kansas and that remains within the borders of Kansas.

Sec. 7. It is unlawful for any official, agent or employee of the government of the United States, or employee of a corporation providing services to the government of the United States to enforce or attempt to enforce any act, law, treaty, order, rule or regulation of the government of the United States regarding a firearm, a firearm accessory, or ammunition that is manufactured commercially or privately and owned in the state of Kansas and that remains within the borders of Kansas. Violation of this section is a severity level 10 nonperson felony. Any criminal prosecution for a violation of this section shall be commenced by service of complaint and summons upon such official, agent or employee. Such official, agent or employee shall not be arrested or otherwise detained prior to, or during the pendency of, any trial for a violation of this section.

Sec. 8. A county or district attorney, or the attorney general, may seek injunctive relief in any court of competent jurisdiction to enjoin any official, agent or employee of the government of the United States or employee of a corporation providing services to the government of the United States from enforcing any act, law, treaty, order, rule or regulation of the government of the United States regarding a firearm, a firearm accessory, or ammunition that is manufactured commercially or privately and owned in the state of Kansas and that remains within the borders of Kansas.

Sec. 9. Sections 1 through 11, and amendments thereto, do not apply to: (a) A firearm that cannot be carried and used by one person;

(b) ammunition with a projectile that explodes using an explosion of chemical energy after the projectile leaves the firearm; or

(c) other than shotguns, a firearm that discharges two or more projectiles with one activation of the trigger or other firing device.

Sec. 10. Sections 1 through 11, and amendments thereto, apply to firearms, firearms accessories and ammunition that are manufactured, as defined in section 3, and amendments thereto, owned and remain within the borders of Kansas on and after October 1, 2009.

Sec. 11. If any provision of sections 1 through 10, and amendments thereto, or the application to any persons or circumstances is held to be invalid, such invalidity shall not affect the other provisions or application of sections 1 through 10, and amendments thereto, and to this end the provisions of section 1 through 10, and amendments thereto, are declared to be severable.

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 25, 2013.)

SENATE BILL No. 187

AN ACT concerning workers; relating to workers compensation; relating to the employment security act; relating to the state workplace health and safety program; amending K.S.A. 44-510j, 44-512, 44-557 and 44-578 and K.S.A. 2012 Supp. 2-224a, 44-508, 44-510d, 44-510e, 44-520, 44-523, 44-532a, 44-551, 44-555c, 44-575, 44-577, 44-709 and 75-5708 and repealing the existing sections.

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

Section 1. K.S.A. 2012 Supp. 44-551 is hereby amended to read as follows: 44-551. (a) The duties of the assistant directors of workers compensation may include, but not be limited to, acting in the capacity of an administrative law judge.

(b) Each administrative law judge shall be an attorney regularly admitted to practice law in Kansas. Such attorney shall have at least five years of experience as an attorney, with at least one year of experience practicing law in the area of workers compensation.

(c) Except as provided in subsection (g) (k), the annual salary of each administrative law judge shall be an amount equal to ~~75%~~ 85% of the annual salary paid by the state to a district judge, other than a district judge designated as a chief judge. Administrative law judges shall devote full time to the duties of such office and shall not engage in the private practice of law during their term of office. No administrative law judge may receive additional compensation for official services performed by the administrative law judge. Each administrative law judge shall be reimbursed for expenses incurred in the performance of such official duties under the same circumstances and to the same extent as district judges are reimbursed for such expenses.

(d) Applications for administrative law judge positions shall be submitted to the director of workers compensation. The director shall determine if an applicant meets the qualifications for an administrative law judge as prescribed in subsection (b). Qualified applicants for a position of administrative law judge shall be submitted by the director to the workers compensation ~~administrative law judge nominating and review committee and employment security boards nominating committee~~ for consideration.

~~(e) There is hereby established the workers compensation administrative law judge nominating and review committee which shall be composed of two members appointed as follows: The Kansas AFL-CIO and the Kansas chamber of commerce and industry shall each select one representative to serve on the workers compensation administrative law judge nominating and review committee and shall each give written notice of such selection to the secretary who shall appoint such selected persons to the committee. In the event of a vacancy occurring for any reason on the workers compensation administrative law judge nominating and review committee, the vacating member shall be replaced by the organization which originally selected such member with written notice provided to the secretary within 30 days of such vacancy.~~

~~(f) (1) Upon being notified of any vacancy in the position of administrative law judge, the administrative law judge nominating and review committee shall consider all qualified applicants submitted by the director for the vacant position of administrative law judge and nominate a person qualified therefor. The administrative law judge nominating and review committee shall be required to reach unanimous agreement on any nomination to the position of administrative law judge. With respect to each person nominated, the secretary either shall accept and appoint the person nominated by the administrative law judge nominating and review committee to the position of administrative law judge for which the nomination was made or shall reject the nomination and request the administrative law judge nominating and review committee to nominate another person for that position. Upon receipt of any such request for the nomination of another person, the administrative law judge nominating and review committee shall nominate another person for that position in the same manner. There is hereby established the workers compensation and employment security boards nominating committee. Whenever the workers compensation administrative law judge nominating and review committee or the workers compensation board nominating committee, 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 workers compensation and employment security boards nominating committee. The workers compensation and employment security boards nominating committee shall be composed of seven members who are appointed by the governor. Each of the following shall select one member to serve on the nominating committee by giving written notice of the selection to the governor who shall appoint such representatives to the committee:~~

~~(1) The Kansas secretary of labor;~~

- ~~(2) the Kansas chamber of commerce;~~
- ~~(3) the national federation of independent business;~~
- ~~(4) the Kansas AFL-CIO;~~
- ~~(5) the Kansas state council of the society for human resource management (KS SHRM);~~
- ~~(6) the Kansas self-insurers association; and~~
- ~~(7) the secretary of labor, who shall select a nominee from either an employee organization as defined in K.S.A. 75-4322, and amendments thereto, or a professional employees' organization as defined in K.S.A. 72-5413, and amendments thereto.~~

~~In the event the governor refuses to appoint a member selected by one of the organizations in this subsection, the organization may replace that selection with another, subject to the same appointment requirements.~~

~~(f) Of the members first appointed to the workers compensation and employment security boards nominating committee, three shall be appointed for terms of two years and four shall be appointed for terms of four years as specified by the governor. Thereafter, members of the nominating committee shall be appointed for a term of four years. Members may not serve more than two consecutive terms.~~

~~(g) In the event of a vacancy on the nominating committee occurring for any reason, the respective member whose position becomes vacant shall be replaced by the selecting organization by submitting written notice of the replacement selection to the governor within 30 days of such vacancy. The governor shall either appoint or reject the replacement selection as provided in this section.~~

~~(h) The nominating committee shall meet as needed to provide the workers compensation and employment security board of review appointing authorities with nominees for appointments to the position of:~~

- ~~(1) Workers compensation administrative law judge;~~
- ~~(2) workers compensation appeals board member; and~~
- ~~(3) employment security board of review.~~

~~No action of the committee shall be effective unless approved by two-thirds of the committee.~~

~~(i) When notified of a vacancy in the position of workers compensation administrative law judge or workers compensation appeals board member, the committee shall review all qualified applicants as submitted by the director of workers compensation. The committee shall nominate a qualified person to fill the vacancy and submit that nomination to the secretary of labor. The secretary shall either accept and appoint the person nominated by the nominating committee to the position for which the nomination was made or reject the nomination and request the nominating committee to nominate another person for that position. Upon receipt of any such request for the nomination of another person, the nominating committee shall nominate another person for that position in the same manner as set forth above.~~

~~(2)(j) (1) Each administrative law judge shall hold office for a term of four years and may be reappointed. Each administrative law judge shall continue to serve for the term of the appointment or until a successor is appointed. Successors to such administrative law judge positions shall be appointed for terms of four years. An administrative law judge who wishes to be considered for reappointment shall be deemed to have met the qualification requirements for appointment as administrative law judge. If such administrative law judge wishes to be considered for reappointment by the nominating committee, such administrative law judge shall submit an application as provided in subsection (d) no sooner than 150 days before and no later than 90 days prior to the expiration of such judge's term. Within sixty days prior to the expiration of the term of the administrative law judge seeking reappointment, the nominating committee described above shall meet to vote on reappointment of the administrative law judge. The administrative law judge shall be submitted to the secretary for reappointment unless 2/3 of the nominating committee votes not to submit the administrative law judge for reappointment.~~

~~(2) If a vacancy should occur in the position of an administrative law judge during the term of an administrative law judge, the administrative law judge nominating and review committee shall nominate an individual from the qualified applicants submitted by the director to complete the remainder of the unexpired portion of the term.~~

~~(k) Except as otherwise provided in this subsection, administrative law judges appointed on and after July 1, 2006, shall serve a term of office of four years. Administrative law judges hired before July 1, 2006, may continue as administrative law judges under the classified service under the Kansas civil service act at the salary provided under the civil service act or may elect to be appointed to a term and receive the annual salary equal to ~~75%~~ 85% of the salary prescribed for a district judge if the currently employed administrative law judge within 60 days of the effective date of this section notifies the director in writing that the administrative law judge elects to serve an appointed term of office rather than continuing in the classified service. The term of office for an administrative law judge who elects a term of office shall begin on the~~

~~(continued)~~

date the written election is received by the director and the first term of office for such person shall be for two, three or four years as specified by the secretary so that administrative law judges appointed under this subsection serve staggered terms. Thereafter, any such person if reappointed as an administrative law judge shall be appointed for a term of four years.

~~(h) Following the completion of a term, an administrative law judge who wishes to be considered for reappointment to such judge's position shall be deemed to have met the qualification requirements for appointment as administrative law judge and shall be considered for reappointment by the workers compensation administrative law judge nominating and review committee.~~

~~(i)(l)~~ (1) Administrative law judges shall have power to administer oaths, certify official acts, take depositions, issue subpoenas, compel the attendance of witnesses and the production of books, accounts, papers, documents and records to the same extent as is conferred on the district courts of this state, and may conduct an investigation, inquiry or hearing on all matters before the administrative law judges. All final orders, awards, modifications of awards, or preliminary awards under K.S.A. 44-534a, and amendments thereto, made by an administrative law judge shall be subject to review by the *workers compensation appeals board* upon written request of any interested party within 10 days. Intermediate Saturdays, Sundays and legal holidays shall be excluded in the time computation. Review by the board shall be a prerequisite to judicial review as provided for in K.S.A. 44-556, and amendments thereto. On any such review, the board shall have authority to grant or refuse compensation, or to increase or diminish any award of compensation or to remand any matter to the administrative law judge for further proceedings. The orders of the board under this subsection shall be issued within 30 days from the date arguments were presented by the parties.

(2) (A) If an administrative law judge has entered a preliminary award under K.S.A. 44-534a, and amendments thereto, a review by the board shall not be conducted under this section unless it is alleged that the administrative law judge exceeded the administrative law judge's jurisdiction in granting or denying the relief requested at the preliminary hearing. Such an appeal from a preliminary award may be heard and decided by a single member of the board. Members of the board shall hear such preliminary appeals on a rotating basis and the individual board member who decides the appeal shall sign each such decision. The orders of the board under this subsection shall be issued within 30 days from the date arguments were presented by the parties.

(B) If an order on review is not issued by the board within the applicable time period prescribed by subsection ~~(i)(1)~~ (1)(1), medical compensation and any disability compensation as provided in the award of the administrative law judge shall be paid commencing with the first day after such time period and shall continue to be paid until the order of the board is issued, except that no payments shall be made under this provision for any period before the first day after such time period. Nothing in this section shall be construed to limit or restrict any other remedies available to any party to a claim under any other statute.

(C) In any case in which the final award of an administrative law judge is appealed to the board for review under this section and in which the compensability is not an issue to be decided on review by the board, medical compensation shall be payable in accordance with the award of the administrative law judge and shall not be stayed pending such review. The employee may proceed under K.S.A. 44-510k, and amendments thereto, and may have a hearing in accordance with that statute to enforce the provisions of this subsection.

~~(j)(m)~~ Each assistant director and each administrative law judge or special administrative law judge shall be allowed all reasonable and necessary expenses actually incurred while in the actual discharge of official duties in administering the workers compensation act, but such expenses shall be sworn to by the person incurring the same and be approved by the secretary.

~~(k)(n)~~ In case of emergency the director may appoint special local administrative law judges and assign to them the examination and hearing of any designated case or cases. Such special local administrative law judges shall be attorneys and admitted to practice law in the state of Kansas and shall, as to all cases assigned to them, exercise the same powers as provided by this section for the regular administrative law judges. Special local administrative law judges shall receive a fee commensurate with the services rendered as fixed by rules and regulations adopted by the director. The fees prescribed by this section prior to the effective date of this act shall be effective until different fees are fixed by such rules and regulations.

~~(l)(o)~~ All special local administrative law judge's fees and expenses, with the exception of settlement hearings, shall be paid from the workers compensation administration fee fund, as provided in K.S.A. 74-712, and amendments thereto. Where there are no available funds or where

the special local administrative law judge conducted a settlement hearing, the fees shall be taxed as costs in each case heard by such special local administrative law judge and when collected shall be paid directly to such special local administrative law judge by the party charged with the payment of the same.

~~(m)(p)~~ Except as provided for judicial review under K.S.A. 44-556, and amendments thereto, the decisions and awards of the board shall be final.

Sec. 2. K.S.A. 2012 Supp. 44-555c is hereby amended to read as follows: 44-555c. (a) There is hereby established the workers compensation appeals board. Whenever the workers compensation board, 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 workers compensation appeals board. The board shall have exclusive jurisdiction to review all decisions, findings, orders and awards of compensation of administrative law judges under the workers compensation act. The review by the appeals board shall be upon questions of law and fact as presented and shown by a transcript of the evidence and the proceedings as presented, had and introduced before the administrative law judge. The appeals board shall be within the division of workers compensation of the department of labor and all budgeting, personnel, purchasing and related management functions of the board shall be administered under the supervision and direction of the secretary of labor. The appeals board shall consist of five members who shall be appointed by the secretary in accordance with this section and who shall each serve for a term of four years, except as provided for the first members appointed to the board under subsection (f).

(b) Each board member shall be an attorney regularly admitted to practice law in Kansas for a period of at least seven years with at least five years experience practicing law in the area of workers compensation and shall have engaged in the active practice of law during such period as a lawyer, judge of a court of record or any court in Kansas or a full-time teacher of law in an accredited law school, or any combination of such types of practice.

(c) Each board member shall receive an annual salary in an amount equal to the salary prescribed by law for a district judge, except that the member who is the chairperson of the workers compensation board shall receive an annual salary in an amount equal to the salary prescribed for a district judge designated as chief judge of a district court of Kansas. The board members shall devote full time to the duties of such office and shall not engage in the private practice of law during their term of office. No board member may receive additional compensation for official services performed by the board member. Each board member shall be reimbursed for expenses incurred in the performance of such official duties under the same circumstances and to the same extent as judges of the district court are reimbursed for such expenses.

(d) Applications for membership on the board shall be submitted to the director of workers compensation. The director shall determine if an applicant meets the qualifications for membership on the board prescribed in subsection (b). Qualified applicants for the board will be submitted by the director to the workers compensation board and employment security boards nominating committee for consideration.

~~(e) There is hereby established the workers compensation board nominating committee which shall be composed of two members appointed as follows: The Kansas AFL-CIO and the Kansas chamber of commerce and industry shall each select one representative to serve on the workers compensation board nominating committee and shall give written notice of the selection to the secretary who shall appoint such representatives to the committee. In the event of a vacancy occurring for any reason on the nominating committee, the respective member shall be replaced by the appointing organization with written notice of the appointment to the secretary of labor within 30 days of such vacancy.~~

~~(f) (1) Upon being notified of any vacancy on the board or of the need to appoint a member pro tem under subsection (i), the nominating committee shall consider all qualified applicants submitted by the director for the vacant position on the board or the member pro tem position and nominate a person qualified therefor. The nominating committee shall be required to reach unanimous agreement on any nomination to the board. With respect to each person nominated, the secretary either shall accept and appoint the person nominated by the nominating committee to the position on the board for which the nomination was made or shall reject the nomination and request the nominating committee to nominate another person for that position. Upon receipt of any such request for the nomination of another person, the nominating committee shall nominate another person for that position in the same manner.~~

~~(2) The first members of the board established by this section are hereby appointed as follows: Each person who was a member of the~~

workers compensation board which was in existence on January 12, 1995, is hereby appointed, effective January 13, 1995, as a member of the board established by this section. The term of office of each person so appointed as a member of the board established by this section is for the period equal to the remainder of the term of office such person had as of January 12, 1995, as a member of the workers compensation board which was in existence on January 12, 1995.

(3) Each member of the board shall hold office for the term of the appointment and until the successor shall have been appointed. Successors to such members shall be appointed for terms of four years.

(4) If a vacancy should occur on the board during the term of a member, the nominating committee shall nominate an individual from the qualified applicants submitted by the director to complete the remainder of the unexpired portion of the term. With respect to each person so nominated, the secretary either shall accept and appoint the person nominated to the board or shall reject the nomination and request the nominating committee to nominate another person for the position. Upon receipt of any such request for the nomination of another person, the nominating committee shall nominate another person for the position in the same manner.

(g) Following the completion of a term, board members who wish to be considered for reappointment to the board shall be deemed to have met the qualification requirements for selection to the board and shall be considered for renomination by the workers compensation board nominating committee.

(f) A board member who wishes to be considered for reappointment shall be deemed to have met the qualification requirements for appointment as a board member. If a board member wishes to be considered for reappointment by the workers compensation and employment security boards nominating committee, such board member shall submit an application as provided in subsection (d) no sooner than 150 days before and no later than 90 days prior to the expiration of such member's term. No later than thirty days prior to the expiration of the term, the nominating committee shall convene to vote on the reappointment of the board member. The board member shall be submitted to the secretary for reappointment unless $\frac{2}{3}$ of the nominating committee votes not to submit the board member's name for reappointment.

(h)(g) The members of the board shall annually elect one member to serve as chairperson.

(h)(h) If illness or other temporary disability of a member of the board will not permit the member to serve during a case or in any case in which a member of the board must be excused from serving because of a conflict or is otherwise disqualified with regard to such case, the director shall notify the workers compensation nominating committee of the need to appoint a member pro tem. Upon receipt of such notice, the committee shall act as soon as possible and nominate a qualified person to serve as member pro tem in such case in accordance with subsection (f). Each member pro tem shall receive compensation at the same rate as a member of the board receives, prorated for the hours of actual service as a member pro tem and shall receive expenses under the same circumstances and to the same extent as a member of the board receives. Each member pro tem shall have all the powers, duties and functions of a member of the board with regard to the case.

(j) The board shall maintain principal offices in Topeka, Kansas, and the board may conduct hearings at a courthouse of any county in Kansas or at another location specified by the board. The secretary of labor shall provide a courtroom and other suitable quarters in Topeka, Kansas, for the use of the board and its staff. When the board conducts hearings at any location other than in Topeka, Kansas, the director shall make suitable arrangements for such hearings. Subject to the provisions of appropriation acts, the director shall provide such supplies and equipment and shall appoint such support personnel as may be necessary for the board to fulfill the duties imposed by this act, subject to approval by the secretary.

(k) For purposes of hearing cases, the board may sit together or in panels of two members or more, designated by the chairperson of the board, except that an appeal from a preliminary award entered under K.S.A. 44-534a, and amendments thereto, may be heard by a panel of one member designated by the chairperson. All members of the board shall determine each matter before the board. All decisions, reviews and determinations by the board shall be approved in writing by at least three board members. Whenever the board enters a final order in any proceeding, the board shall make written findings of fact and conclusions of law forming the basis of the board's determination and final order. The findings of fact and conclusions of law of the board shall be made a part of the final order. The board shall mail a copy of the final order of the board to all parties to the proceeding within three days following the issuance of the final order.

Sec. 3. K.S.A. 2012 Supp. 44-709 is hereby amended to read as follows: 44-709. (a) *Filing*. Claims for benefits shall be made in accordance

with rules and regulations adopted by the secretary. The secretary shall furnish a copy of such rules and regulations to any individual requesting them. Each employer shall post and maintain printed statements furnished by the secretary without cost to the employer in places readily accessible to individuals in the service of the employer.

(b) *Determination*. (1) Except as otherwise provided in this subsection (b)(1), a representative designated by the secretary, and hereinafter referred to as an examiner, shall promptly examine the claim and, on the basis of the facts found by the examiner, shall determine whether or not the claim is valid. If the examiner determines that the claim is valid, the examiner shall determine the first day of the benefit year, the weekly benefit amount and the total amount of benefits payable with respect to the benefit year. If the claim is determined to be valid, the examiner shall send a notice to the last employing unit who shall respond within 10 days by providing the examiner all requested information including all information required for a decision under K.S.A. 44-706, and amendments thereto. The information may be submitted by the employing unit in person at an employment office of the secretary or by mail, by telefacsimile machine or by electronic mail. If the required information is not submitted or postmarked within a response time limit of 10 days after the examiner's notice was sent, the employing unit shall be deemed to have waived its standing as a party to the proceedings arising from the claim and shall be barred from protesting any subsequent decisions about the claim by the secretary, a referee, the employment security board of review or any court, except that the employing unit's response time limit may be waived or extended by the examiner or upon appeal, if timely response was impossible due to excusable neglect. In any case in which the payment or denial of benefits will be determined by the provisions of subsection (d) of K.S.A. 44-706, and amendments thereto, the examiner shall promptly transmit the claim to a special examiner designated by the secretary to make a determination on the claim after the investigation as the special examiner deems necessary. The parties shall be promptly notified of the special examiner's decision and any party aggrieved by the decision may appeal to the referee as provided in subsection (c). The claimant and the claimant's most recent employing unit shall be promptly notified of the examiner's or special examiner's decision.

(2) The examiner may for good cause reconsider the examiner's decision and shall promptly notify the claimant and the most recent employing unit of the claimant, that the decision of the examiner is to be reconsidered, except that no reconsideration shall be made after the termination of the benefit year.

(3) Notwithstanding the provisions of any other statute, a decision of an examiner or special examiner shall be final unless the claimant or the most recent employing unit of the claimant files an appeal from the decision as provided in subsection (c). The appeal must be filed within 16 calendar days after the mailing of notice to the last known addresses of the claimant and employing unit or, if notice is not by mail, within 16 calendar days after the delivery of the notice to the parties.

(c) *Appeals*. Unless the appeal is withdrawn, a referee, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and decision of the examiner or special examiner. The parties shall be duly notified of the referee's decision, together with the reasons for the decision. The decision shall be final, notwithstanding the provisions of any other statute, unless a further appeal to the employment security board of review is filed within 16 calendar days after the mailing of the decision to the parties' last known addresses or, if notice is not by mail, within 16 calendar days after the delivery of the decision.

(d) *Referees*. The secretary shall appoint, in accordance with subsection (c) of K.S.A. 44-714, and amendments thereto, one or more referees to hear and decide disputed claims.

(e) *Time, computation and extension*. In computing the period of time for an employing unit response or for appeals under this section from the examiner's or the special examiner's determination or from the referee's decision, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday or legal holiday.

(f) *Board of review*. (1) There is hereby created a employment security board of review, hereinafter referred to as the board, consisting of three members. Except as provided by paragraph (2) of this subsection, Each member of the board shall be appointed for a term of four years as provided in this subsection. Two members shall be appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed to the board,

(continued)

whose appointment is subject to confirmation by the senate, shall exercise any power, duty or function as a member until confirmed by the senate. One member shall be representative of employees, one member shall be representative of employers, and one member shall be representative of the public in general. The appointment of the employee representative member of the board shall be made by the governor from a list of three nominations submitted by the Kansas A.F.L.-C.I.O. The appointment of the employer representative member of the board shall be made by the governor from a list of three nominations submitted by the Kansas chamber of commerce and industry. The appointment of the public representative member of the board, who, because of vocation, occupation or affiliation may be deemed not to be representative of either management or labor, shall be made by the members appointed by the governor as employee representative and employer representative. If the two members do not agree and fail to make the appointment of the public member within 30 days after the expiration of the public member's term of office, the governor shall appoint the representative of the public. Not more than two members of the board shall belong to the same political party.

(2) ~~The terms of members who are serving on the board on the effective date of this act shall expire on March 15 of the year in which such member's term would have expired under the provisions of this section prior to amendment by this act. Thereafter, members shall be appointed for terms of four years and until their successors are appointed and confirmed. When a vacancy on the employment security board of review occurs, the workers compensation and employment security boards nominating committee established under K.S.A. 44-551, and amendments thereto, shall convene and submit a nominee to the governor for appointment to each vacancy on the employment security board of review, subject to confirmation by the senate as provided by K.S.A. 75-4315b, and amendments thereto. The governor shall either: (A) Accept and submit to the senate for confirmation the person nominated by the nominating committee; or (B) reject the nomination and request the nominating committee to nominate another person for that position. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed to the employment security board of review, whose appointment is subject to confirmation by the senate, shall exercise any power, duty or function as a member until confirmed by the senate.~~

(3) ~~No member of the employment security board of review shall serve more than two consecutive terms.~~

~~(4) Each member of the employment security board shall serve until a successor has been appointed and confirmed. Any vacancy in the membership of the board occurring prior to expiration of a term shall be filled by appointment for the unexpired term in the same manner as provided for original appointment of the member. Each member shall be appointed as representative of the same special interest group represented by the predecessor of the member.~~

~~(5) Each member of the board-employment security board of review shall be entitled to receive as compensation for the member's services at the rate of \$15,000 per year, together with the member's travel and other necessary expenses actually incurred in the performance of the member's official duties in accordance with rules and regulations adopted by the secretary. Members' compensation and expenses shall be paid from the employment security administration fund.~~

~~(6) The board-employment security board of review shall organize annually by the election of a chairperson from among its members. The chairperson shall serve in that capacity for a term of one year and until a successor is elected. The board shall meet on the first Monday of each month or on the call of the chairperson or any two members of the board at the place designated. The secretary of labor shall appoint an executive secretary of the board and the executive secretary shall attend the meetings of the board.~~

~~(7) The board-employment security board of review, on its own motion, may affirm, modify or set aside any decision of a referee on the basis of the evidence previously submitted in the case; may direct the taking of additional evidence; or may permit any of the parties to initiate further appeal before it. The board shall permit such further appeal by any of the parties interested in a decision of a referee which overrules or modifies the decision of an examiner. The board may remove to itself the proceedings on any claim pending before a referee. Any proceedings so removed to the board shall be heard in accordance with the requirements of subsection (c). The board shall promptly notify the interested parties of its findings and decision.~~

~~(8) Two members of the board-employment security board of review shall constitute a quorum and no action of the board shall be valid unless it has the concurrence of at least two members. A vacancy on the board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the board.~~

~~(g) Procedure. The manner in which disputed claims are presented, the reports on claims required from the claimant and from employers~~

and the conduct of hearings and appeals shall be in accordance with rules of procedure prescribed by the ~~board-employment security board of review~~ for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings and decisions in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed. In the performance of its official duties, the board shall have access to all of the records which pertain to the disputed claim and are in the custody of the secretary of labor and shall receive the assistance of the secretary upon request.

(h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall be allowed fees and necessary travel expenses at rates fixed by the board. Such fees and expenses shall be deemed a part of the expense of administering this act.

(i) *Court review.* Any action of the ~~board-employment security board of review~~ is subject to review in accordance with the Kansas judicial review act. No bond shall be required for commencing an action for such review. In the absence of an action for such review, the action of ~~the such~~ board shall become final 16 calendar days after the date of the mailing of the decision. In addition to those persons having standing pursuant to K.S.A. 77-611, and amendments thereto, the examiner shall have standing to obtain judicial review of an action of ~~the such~~ board. The review proceeding, and the questions of law certified, shall be heard in a summary manner and shall be given precedence over all other civil cases except cases arising under the workers compensation act.

(j) Any finding of fact or law, judgment, determination, conclusion or final order made by the *employment security board of review* or any examiner, special examiner, referee or other person with authority to make findings of fact or law pursuant to the employment security law is not admissible or binding in any separate or subsequent action or proceeding, between a person and a present or previous employer brought before an arbitrator, court or judge of the state or the United States, regardless of whether the prior action was between the same or related parties or involved the same facts.

(k) In any proceeding or hearing conducted under this section, a party to the proceeding or hearing may appear before a referee or the *board-employment security board of review* either personally or by means of a designated representative to present evidence and to state the position of the party. Hearings may be conducted in person, by telephone or other means of electronic communication. The hearing shall be conducted by telephone or other means of electronic communication if none of the parties requests an in-person hearing. If only one party requests an in-person hearing, the referee shall have the discretion of requiring all parties to appear in person or allow the party not requesting an in-person hearing to appear by telephone or other means of electronic communication. The notice of hearing shall include notice to the parties of their right to request an in-person hearing and instructions on how to make the request.

Sec. 4. K.S.A. 2012 Supp. 44-508 is hereby amended to read as follows: 44-508. As used in the workers compensation act:

(a) "Employer" includes: (1) Any person or body of persons, corporate or unincorporated, and the legal representative of a deceased employer or the receiver or trustee of a person, corporation, association or partnership; (2) the state or any department, agency or authority of the state, any city, county, school district or other political subdivision or municipality or public corporation and any instrumentality thereof; and (3) for the purposes of community service work, the entity for which the community service work is being performed and the governmental agency which assigned the community service work, if any, if either such entity or such governmental agency has filed a written statement of election with the director to accept the provisions under the workers compensation act for persons performing community service work and in such case such entity and such governmental agency shall be deemed to be the joint employer of the person performing the community service work and both shall have the rights, liabilities and immunities provided under the workers compensation act for an employer with regard to the community service work, except that the liability for providing benefits shall be imposed only on the party which filed such election with the director, or on both if both parties have filed such election with the director; for purposes of community service work, "governmental agency" shall not include any court or any officer or employee thereof and any case where there is deemed to be a "joint employer" shall not be construed to be a case of dual or multiple employment.

(b) "Workman" or "employee" or "worker" means any person who has entered into the employment of or works under any contract of service or apprenticeship with an employer. Such terms shall include, but not be limited to: Executive officers of corporations; professional

athletes; persons serving on a volunteer basis as duly authorized law enforcement officers, attendants, as defined in subsection ~~(d)~~ (f) of K.S.A. 65-6112, and amendments thereto, drivers of ambulances as defined in subsection ~~(b)~~ (d) of K.S.A. 65-6112, and amendments thereto, firefighters, but only to the extent and during such periods as they are so serving in such capacities; persons employed by educational, religious and charitable organizations, but only to the extent and during the periods that they are paid wages by such organizations; persons in the service of the state, or any department, agency or authority of the state, any city, school district, or other political subdivision or municipality or public corporation and any instrumentality thereof, under any contract of service, express or implied, and every official or officer thereof, whether elected or appointed, while performing official duties; persons in the service of the state as volunteer members of the Kansas department of civil air patrol, but only to the extent and during such periods as they are officially engaged in the performance of functions specified in K.S.A. 48-3302, and amendments thereto; volunteers in any employment, if the employer has filed an election to extend coverage to such volunteers; minors, whether such minors are legally or illegally employed; and persons performing community service work, but only to the extent and during such periods as they are performing community service work and if an election has been filed an election to extend coverage to such persons. Any reference to an employee who has been injured shall, where the employee is dead, include a reference to the employee's dependents, to the employee's legal representatives, or, if the employee is a minor or an incapacitated person, to the employee's guardian or conservator. Unless there is a valid election in effect which has been filed as provided in K.S.A. 44-542a, and amendments thereto, such terms shall not include individual employers, limited liability company members, partners or self-employed persons.

(c) (1) "Dependents" means such members of the employee's family as were wholly or in part dependent upon the employee at the time of the accident or injury.

(2) "Members of a family" means only surviving legal spouse and children; or if no surviving legal spouse or children, then parents or grandparents; or if no parents or grandparents, then grandchildren; or if no grandchildren, then brothers and sisters. In the meaning of this section, parents include stepparents, children include stepchildren, grandchildren include stepgrandchildren, brothers and sisters include stepbrothers and stepsisters, and children and parents include that relation by legal adoption. In the meaning of this section, a surviving spouse shall not be regarded as a dependent of a deceased employee or as a member of the family, if the surviving spouse shall have for more than six months willfully or voluntarily deserted or abandoned the employee prior to the date of the employee's death.

(3) "Wholly dependent child or children" means:

(A) A birth child or adopted child of the employee except such a child whose relationship to the employee has been severed by adoption;

(B) a stepchild of the employee who lives in the employee's household;

(C) any other child who is actually dependent in whole or in part on the employee and who is related to the employee by marriage or consanguinity; or

(D) any child as defined in subsection (c)(3)(A), (3)(B) or (3)(C) who is less than 23 years of age and who is not physically or mentally capable of earning wages in any type of substantial and gainful employment or who is a full-time student attending an accredited institution of higher education or vocational education.

(d) "Accident" means an undesigned, sudden and unexpected traumatic event, usually of an afflictive or unfortunate nature and often, but not necessarily, accompanied by a manifestation of force. An accident shall be identifiable by time and place of occurrence, produce at the time symptoms of an injury, and occur during a single work shift. The accident must be the prevailing factor in causing the injury. "Accident" shall in no case be construed to include repetitive trauma in any form.

(e) "Repetitive trauma" refers to cases where an injury occurs as a result of repetitive use, cumulative traumas or microtraumas. The repetitive nature of the injury must be demonstrated by diagnostic or clinical tests. The repetitive trauma must be the prevailing factor in causing the injury. "Repetitive trauma" shall in no case be construed to include occupational disease, as defined in K.S.A. 44-5a01, and amendments thereto.

In the case of injury by repetitive trauma, the date of injury shall be the earliest of:

(1) The date the employee, while employed for the employer against whom benefits are sought, is taken off work by a physician due to the diagnosed repetitive trauma;

(2) the date the employee, while employed for the employer against whom benefits are sought, is placed on modified or restricted duty by a physician due to the diagnosed repetitive trauma;

(3) the date the employee, while employed for the employer against whom benefits are sought, is advised by a physician that the condition is work-related; or

(4) the last day worked, if the employee no longer works for the employer against whom benefits are sought.

In no case shall the date of accident be later than the last date worked.

(f) (1) "Personal injury" and "injury" mean any lesion or change in the physical structure of the body, causing damage or harm thereto. Personal injury or injury may occur only by accident, repetitive trauma or occupational disease as those terms are defined.

(2) An injury is compensable only if it arises out of and in the course of employment. An injury is not compensable because work was a triggering or precipitating factor. An injury is not compensable solely because it aggravates, accelerates or exacerbates a preexisting condition or renders a preexisting condition symptomatic.

(A) An injury by repetitive trauma shall be deemed to arise out of employment only if:

(i) The employment exposed the worker to an increased risk or hazard which the worker would not have been exposed in normal non-employment life;

(ii) the increased risk or hazard to which the employment exposed the worker is the prevailing factor in causing the repetitive trauma; and

(iii) the repetitive trauma is the prevailing factor in causing both the medical condition and resulting disability or impairment.

(B) An injury by accident shall be deemed to arise out of employment only if:

(i) There is a causal connection between the conditions under which the work is required to be performed and the resulting accident; and

(ii) the accident is the prevailing factor causing the injury, medical condition, and resulting disability or impairment.

(3) (A) The words "arising out of and in the course of employment" as used in the workers compensation act shall not be construed to include:

(i) Injury which occurred as a result of the natural aging process or by the normal activities of day-to-day living;

(ii) accident or injury which arose out of a neutral risk with no particular employment or personal character;

(iii) accident or injury which arose out of a risk personal to the worker; or

(iv) accident or injury which arose either directly or indirectly from idiopathic causes.

(B) The words "arising out of and in the course of employment" as used in the workers compensation act shall not be construed to include injuries to the employee occurring while the employee is on the way to assume the duties of employment or after leaving such duties, the proximate cause of which injury is not the employer's negligence. An employee shall not be construed as being on the way to assume the duties of employment or having left such duties at a time when the worker is on the premises owned or under the exclusive control of the employer or on the only available route to or from work which is a route involving a special risk or hazard connected with the nature of the employment that is not a risk or hazard to which the general public is exposed and which is a route not used by the public except in dealings with the employer. An employee shall not be construed as being on the way to assume the duties of employment, if the employee is a provider of emergency services responding to an emergency.

(C) The words "arising out of and in the course of employment" as used in the workers compensation act shall not be construed to include injuries to employees while engaged in recreational or social events under circumstances where the employee was under no duty to attend and where the injury did not result from the performance of tasks related to the employee's normal job duties or as specifically instructed to be performed by the employer.

(g) "Prevailing" as it relates to the term "factor" means the primary factor, in relation to any other factor. In determining what constitutes the "prevailing factor" in a given case, the administrative law judge shall consider all relevant evidence submitted by the parties.

(h) "Burden of proof" means the burden of a party to persuade the trier of facts by a preponderance of the credible evidence that such party's position on an issue is more probably true than not true on the basis of the whole record unless a higher burden of proof is specifically required by this act.

(i) "Director" means the director of workers compensation as provided for in K.S.A. 75-5708, and amendments thereto.

(j) "Health care provider" means any person licensed, by the proper licensing authority of this state, another state or the District of Columbia, to practice medicine and surgery, osteopathy, chiropractic, dentistry, optometry, podiatry, audiology or psychology.

(continued)

(k) "Secretary" means the secretary of labor.

(l) "Construction design professional" means any person who is an architect, professional engineer, landscape architect or land surveyor who has been issued a license by the state board of technical professions to practice such technical profession in Kansas or any corporation organized to render professional services through the practice of one or more of such technical professions in Kansas under the professional corporation law of Kansas or any corporation issued a certificate of authorization under K.S.A. 74-7036, and amendments thereto, to practice one or more of such technical professions in Kansas.

(m) "Community service work" means: (1) Public or community service performed as a result of a contract of diversion or of assignment to a community corrections program or conservation camp or suspension of sentence or as a condition of probation or in lieu of a fine imposed by court order; or (2) public or community service or other work performed as a requirement for receipt of any kind of public assistance in accordance with any program administered by the secretary of social and rehabilitation services.

(n) "Utilization review" means the initial evaluation of appropriateness in terms of both the level and the quality of health care and health services provided a patient, based on accepted standards of the health care profession involved. Such evaluation is accomplished by means of a system which identifies the utilization of health care services above the usual range of utilization for such services, which is based on accepted standards of the health care profession involved, and which refers instances of possible inappropriate utilization to the director for referral to a peer review committee.

(o) "Peer review" means an evaluation by a peer review committee of the appropriateness, quality and cost of health care and health services provided a patient, which is based on accepted standards of the health care profession involved and which is conducted in conjunction with utilization review.

(p) "Peer review committee" means a committee composed of health care providers licensed to practice the same health care profession as the health care provider who rendered the health care services being reviewed.

(q) "Group-funded self-insurance plan" includes each group-funded workers compensation pool, which is authorized to operate in this state under K.S.A. 44-581 through 44-592, and amendments thereto, each municipal group-funded pool under the Kansas municipal group-funded pool act which is covering liabilities under the workers compensation act, and any other similar group-funded or pooled plan or arrangement that provides coverage for employer liabilities under the workers compensation act and is authorized by law.

(r) On and after the effective date of this act, "workers compensation board" or "board" means the workers compensation *appeals* board established under K.S.A. 44-555c, and amendments thereto.

(s) "Usual charge" means the amount most commonly charged by health care providers for the same or similar services.

(t) "Customary charge" means the usual rates or range of fees charged by health care providers in a given locale or area.

(u) "Functional impairment" means the extent, expressed as a percentage, of the loss of a portion of the total physiological capabilities of the human body as established by competent medical evidence and based on the fourth edition of the American medical association guides to the evaluation of impairment, if the impairment is contained therein.

(v) "Authorized treating physician" means a licensed physician or other health care provider authorized by the employer or insurance carrier or both, or appointed pursuant to court-order to provide those medical services deemed necessary to diagnose and treat an injury arising out of and in the course of employment.

(w) "Mail" means the use of the United States postal service or other land based delivery service or transmission by electronic means, including delivery by fax, e-mail or other electronic delivery method designated by the director of workers compensation.

Sec. 5. K.S.A. 44-510j is hereby amended to read as follows: 44-510j. When an employer's insurance carrier or a self-insured employer disputes all or a portion of a bill for services rendered for the care and treatment of an employee under this act, the following procedures apply:

(a) (1) The employer or carrier shall notify the service provider within 30 days of receipt of the bill of the specific reason for refusing payment or adjusting the bill. Such notice shall inform the service provider that additional information may be submitted with the bill and reconsideration of the bill may be requested. The provider shall send any request for reconsideration within 30 days of receiving written notice of the bill dispute. If the employer or carrier continues to dispute all or a portion of the bill after receiving additional information from

the provider, the employer, carrier or provider may apply for an informal hearing before the director.

(2) If a provider sends a bill to such employer or carrier and receives no response within 30 days as allowed in subsection (a) and if a provider sends a second bill and receives no response within 60 days of the date the provider sent the first bill, the provider may apply for an informal hearing before the director.

(3) Payments shall not be delayed beyond 60 days for any amounts not in dispute. Acceptance by any provider of a payment amount which is less than the full amount charged for the services shall not affect the right to have a review of the claim for the outstanding or remaining amounts.

(b) The application for informal hearing shall include copies of the disputed bills, all correspondence concerning the bills and any additional written information the party deems appropriate. When anyone applies for an informal hearing before the director, copies of the application shall be sent to all parties to the dispute and the employee. Within 20 days of receiving the application for informal hearing, the other parties to the dispute shall send any additional written information deemed relevant to the dispute to the director.

(c) The director or the director's designee shall hold the informal hearing to hear and determine all disputes as to such bills and interest due thereon. Evidence in the informal hearing shall be limited to the written submissions of the parties. The informal hearing may be held by electronic means. Any employer, carrier or provider may personally appear in or be represented at the hearing. If the parties are unable to reach a settlement regarding the dispute, the officer hearing the dispute shall enter an order so stating.

(d) After the entry of the order indicating that the parties have not settled the dispute after the informal hearing, the director shall schedule a formal hearing.

(1) Prior to the date of the formal hearing, the director may conduct a utilization review concerning the disputed bill. The director shall develop and implement, or contract with a qualified entity to develop and implement, utilization review procedures relating to the services rendered by providers and facilities, which services are paid for in whole or in part pursuant to the workers compensation act. The director may contract with one or more private foundations or organizations to provide utilization review of service providers pursuant to the workers compensation act. Such utilization review shall result in a report to the director indicating whether a provider improperly utilized or otherwise rendered or ordered unjustified treatment or services or that the fees for such treatment or services were excessive and a statement of the basis for the report's conclusions. After receiving the utilization review report, the director also may order a peer review. A copy of such reports shall be provided to all parties to the dispute at least 20 days prior to the formal hearing. No person shall be subject to civil liability for libel, slander or any other relevant tort cause of action by virtue of performing a peer or utilization review under contract with the director.

(2) The formal hearing shall be conducted by hearing officers, the medical administrator or both as appointed by the director. During the formal hearing parties to the dispute shall have the right to appear or be represented and may produce witnesses, including expert witnesses, and such other relevant evidence as may be otherwise allowed under the workers compensation act. If the director finds that a provider or facility has made excessive charges or provided or ordered unjustified treatment, services, hospitalization or visits, the provider or facility may, subject to the director's order, receive payment pursuant to this section from the carrier, employer or employee for the excessive fees or unjustified treatment, services, hospitalization or visits and such provider may be ordered to repay any fees or charges collected therefor. If it is determined after the formal hearing that a provider improperly utilized or otherwise rendered or ordered unjustified treatment or services or that the fees for such treatment or services were excessive, the director may provide a report to the licensing board of the service provider with full documentation of any such determination, except that no such report shall be provided until after judicial review if the order is appealed. Any decision rendered under this section may be reviewed by the workers compensation *appeals* board. A party must file a notice of appeal within 10 days of the issuance of any decision under this section. The record on appeal shall be limited only to the evidence presented to the hearing officer. The decision of the director shall be affirmed unless the board determines that the decision was not supported by substantial competent evidence.

(e) By accepting payment pursuant to this section for treatment or services rendered to an injured employee, the provider shall be deemed to consent to submitting all necessary records to substantiate the nature and necessity of the service or charge and other information concerning such treatment to utilization review under this section. Such health care

provider shall comply with any decision of the director pursuant to this section.

(f) Except as provided in K.S.A. 60-437, and amendments thereto, and this section, findings and records which relate to utilization and peer review conducted pursuant to this section shall be privileged and shall not be subject to discovery, subpoena or other means of legal compulsion for release to any person or entity and shall not be admissible in evidence in any judicial or administrative proceeding, except those proceedings authorized pursuant to this section. In any proceedings where there is an application by an employee, employer, insurance carrier or the workers compensation fund for a hearing pursuant to K.S.A. 44-534a, and amendments thereto, for a change of medical benefits which has been filed after a health care provider, employer, insurance carrier or the workers compensation fund has made application to the medical services section of the division for the resolution of a dispute or matter pursuant to the provisions of this section, all reports, information, statements, memoranda, proceedings, findings and records which relate to utilization and peer review including the records of contract reviewers and findings and records of the medical services section of the division shall be admissible at the hearing before the administrative law judge on the issue of the medical benefits to which an employee is entitled.

(g) A provider may not improperly overcharge or charge for services which were not provided for the purpose of obtaining additional payment. Any dispute regarding such actions shall be resolved in the same manner as other bill disputes as provided by this section. Any violation of the provisions of this section or K.S.A. 44-510i, and amendments thereto, which is willful or which demonstrates a pattern of improperly charging or overcharging for services rendered pursuant to this act constitutes grounds for the director to impose a civil fine not to exceed \$5,000. Any civil fine imposed under this section shall be subject to review by the board. All moneys received for civil fines imposed under this section shall be deposited in the state treasury to the credit of the workers compensation fund.

(h) Any health care provider, nurse, physical therapist, any entity providing medical, physical or vocational rehabilitation services or providing reeducation or training pursuant to K.S.A. 44-510g, and amendments thereto, medical supply establishment, surgical supply establishment, ambulance service or hospital which accept the terms of the workers compensation act by providing services or material thereunder shall be bound by the fees approved by the director and no injured employee or dependent of a deceased employee shall be liable for any charges above the amounts approved by the director. If the employer has knowledge of the injury and refuses or neglects to reasonably provide the services of a health care provider required by this act, the employee may provide the same for such employee, and the employer shall be liable for such expenses subject to the regulations adopted by the director. No action shall be filed in any court by a health care provider or other provider of services under this act for the payment of an amount for medical services or materials provided under the workers compensation act and no other action to obtain or attempt to obtain or collect such payment shall be taken by a health care provider or other provider of services under this act, including employing any collection service, until after final adjudication of any claim for compensation for which an application for hearing is filed with the director under K.S.A. 44-534, and amendments thereto. In the case of any such action filed in a court prior to the date an application is filed under K.S.A. 44-534, and amendments thereto, no judgment may be entered in any such cause and the action shall be stayed until after the final adjudication of the claim. In the case of an action stayed hereunder, any award of compensation shall require any amounts payable for medical services or materials to be paid directly to the provider thereof plus an amount of interest at the rate provided by statute for judgments. No period of time under any statute of limitation, which applies to a cause of action barred under this subsection, shall commence or continue to run until final adjudication of the claim under the workers compensation act.

(i) As used in this section, unless the context or the specific provisions clearly require otherwise, "carrier" means a self-insured employer, an insurance company or a qualified group-funded workers compensation pool and "provider" means any health care provider, vocational rehabilitation service provider or any facility providing health care services or vocational rehabilitation services, or both, including any hospital.

Sec. 6. K.S.A. 2012 Supp. 75-5708 is hereby amended to read as follows: 75-5708. (a) There is hereby established within and as a part of the department of labor a division of workers compensation. The division shall be administered, under the supervision of the secretary of labor, by the director of workers compensation, who shall be the chief administrative officer of the division. The director of workers compen-

sation shall be appointed by the secretary of labor and shall serve at the pleasure of the secretary. The director shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary fixed by the secretary of labor, with the approval of the governor. The director of workers compensation shall be an attorney admitted to practice law in the state of Kansas. The director shall devote full time to the duties of such office and shall not engage in the private practice of law during the director's term of office.

(b) The director of workers compensation may appoint two assistant directors of workers compensation. The secretary of labor may appoint not to exceed 10 administrative law judges. Such assistant directors shall be in the classified service. Such administrative law judges shall be in the unclassified service under the Kansas civil service act unless an administrative law judge elects to stay in the classified service under subsection (g) of K.S.A. 44-551, and amendments thereto. The assistant directors shall act for and exercise the powers of the director of workers compensation to the extent authority to do so is delegated by the director. The assistant directors and administrative law judges shall be attorneys admitted to practice law in the state of Kansas, and shall have such powers, duties and functions as are assigned to them by the director or are prescribed by law. The assistant directors and administrative law judges shall devote full time to the duties of their offices and shall not engage in the private practice of law during their terms of office.

(c) Assistant directors shall be selected by the director of workers compensation, with the approval of the secretary of labor. Except as otherwise provided under K.S.A. 44-551, and amendments thereto, on and after July 1, 2006 2013, administrative law judges shall be selected by the administrative law judge nominating and review workers compensation and employment security boards nominating committee and appointed by the secretary of labor. Each assistant director and administrative law judge shall be subject to either dismissal or suspension of up to 30 days for any of the following:

- (1) Failure to conduct oneself in a manner appropriate to the appointee's professional capacity;
- (2) failure to perform duties as required by the workers compensation act; or
- (3) any reason set out for dismissal or suspension in the Kansas civil service act or rules and regulations adopted pursuant thereto.

No appointee shall be appointed, dismissed or suspended for political, religious or racial reasons or by reason of the appointee's sex.

Sec. 7. K.S.A. 2012 Supp. 2-224a is hereby amended to read as follows: 2-224a. (a) Notwithstanding the provisions of K.S.A. 44-576, and amendments thereto, the state fair board is hereby authorized to purchase workers compensation insurance from an admitted carrier. Any contract for the purchase of workers compensation insurance entered into by the state fair board shall be purchased in the manner prescribed for the purchase of supplies, materials, equipment and contractual services as provided in K.S.A. 75-3738 through 75-3744, and amendments thereto, and any such contract having a premium or rate in excess of \$500 shall be purchased on the basis of sealed bids. Such contract shall not be subject to the provisions of K.S.A. 75-4101 through 75-4114 and K.S.A. 2012 Supp. 75-4125, and amendments thereto.

(b) If the state fair board enters into a contract for the purchase of workers compensation insurance as described in subsection (a), from and after the end of the payroll period in which such workers compensation policy takes effect, the state fair board shall not be subject to the self-insurance assessment prescribed by K.S.A. 44-576, and amendments thereto, and the director of accounts and reports shall cease to transfer any amounts for such self-assessment for the state fair board pursuant to such statute, except that any moneys paid relating to existing claims with the state workers compensation self-insurance fund made by the state fair board shall be assessed to the state fair board until all such claims have been closed and settled.

(c) Notwithstanding the provisions of K.S.A. 44-575, and amendments thereto, if the state fair board enters into a contract for the purchase of workers compensation insurance as described in subsection (a), the state workers compensation self-insurance fund shall not be liable for any compensation claims under the workers compensation act relating to the state fair board and arising during the term of such contract, or for any other amounts otherwise required to be paid under the workers compensation act during the term of such contract.

(d) The state fair board shall notify the secretary of administration and the secretary of health and environment of the effective date of any workers compensation policy acquired pursuant to this section.

Sec. 8. K.S.A. 2012 Supp. 44-510d is hereby amended to read as follows: 44-510d. (a) Where disability, partial in character but permanent

(continued)

in quality, results from the injury, the injured employee shall be entitled to the compensation provided in K.S.A. 44-510h and 44-510i, and amendments thereto. The injured employee may be entitled to payment of temporary total disability as defined in K.S.A. 44-510c, and amendments thereto, or temporary partial disability as defined in subsection (a)(1) of K.S.A. 44-510e, and amendments thereto, provided that the injured employee shall not be entitled to any other or further compensation for or during the first week following the injury unless such disability exists for three consecutive weeks, in which event compensation shall be paid for the first week. Thereafter compensation shall be paid for temporary total or temporary partial disability as provided in the following schedule, 66⅔% of the average weekly wages to be computed as provided in K.S.A. 44-511, and amendments thereto, except that in no case shall the weekly compensation be more than the maximum as provided for in K.S.A. 44-510c, and amendments thereto.

(b) If there is an award of permanent disability as a result of the injury there shall be a presumption that disability existed immediately after the injury and compensation is to be paid for not to exceed the number of weeks allowed in the following schedule:

- (1) For loss of a thumb, 60 weeks.
- (2) For the loss of a first finger, commonly called the index finger, 37 weeks.
- (3) For the loss of a second finger, 30 weeks.
- (4) For the loss of a third finger, 20 weeks.
- (5) For the loss of a fourth finger, commonly called the little finger, 15 weeks.
- (6) Loss of the first phalange of the thumb or of any finger shall be considered to be equal to the loss of ½ of such thumb or finger, and the compensation shall be ½ of the amount specified above. The loss of the first phalange and any part of the second phalange of any finger, which includes the loss of any part of the bone of such second phalange, shall be considered to be equal to the loss of ⅔ of such finger and the compensation shall be ⅔ of the amount specified above. The loss of the first phalange and any part of the second phalange of a thumb which includes the loss of any part of the bone of such second phalange, shall be considered to be equal to the loss of the entire thumb. The loss of the first and second phalanges and any part of the third proximal phalange of any finger, shall be considered as the loss of the entire finger. Amputation through the joint shall be considered a loss to the next higher schedule.
- (7) For the loss of a great toe, 30 weeks.
- (8) For the loss of any toe other than the great toe, 10 weeks.
- (9) The loss of the first phalange of any toe shall be considered to be equal to the loss of ½ of such toe and the compensation shall be ½ of the amount above specified.
- (10) The loss of more than one phalange of a toe shall be considered to be equal to the loss of the entire toe.
- (11) For the loss of a hand, 150 weeks.
- (12) For the loss of a forearm, 200 weeks.
- (13) For the loss of an arm, excluding the shoulder joint, shoulder girdle, shoulder musculature or any other shoulder structures, 210 weeks, and for the loss of an arm, including the shoulder joint, shoulder girdle, shoulder musculature or any other shoulder structures, 225 weeks.
- (14) For the loss of a foot, 125 weeks.
- (15) For the loss of a lower leg, 190 weeks.
- (16) For the loss of a leg, 200 weeks.
- (17) For the loss of an eye, or the complete loss of the sight thereof, 120 weeks.
- (18) Amputation or severance below the wrist shall be considered as the loss of a hand. Amputation at the wrist and below the elbow shall be considered as the loss of the forearm. Amputation at or above the elbow shall be considered loss of the arm. Amputation below the ankle shall be considered loss of the foot. Amputation at the ankle and below the knee shall be considered as loss of the lower leg. Amputation at or above the knee shall be considered as loss of the leg.
- (19) For the complete loss of hearing of both ears, 110 weeks.
- (20) For the complete loss of hearing of one ear, 30 weeks.
- (21) Permanent loss of the use of a finger, thumb, hand, shoulder, arm, forearm, toe, foot, leg or lower leg or the permanent loss of the sight of an eye or the hearing of an ear, shall be equivalent to the loss thereof. For the permanent partial loss of the use of a finger, thumb, hand, shoulder, arm, toe, foot or leg, or the sight of an eye or the hearing of an ear, compensation shall be paid as provided for in K.S.A. 44-510c, and amendments thereto, per week during that proportion of the number of weeks in the foregoing schedule provided for the loss of such finger, thumb, hand, shoulder, arm, toe, foot or leg or the sight of an eye or the hearing of an ear, which partial loss thereof bears to the total loss of a finger, thumb, hand, shoulder, arm, toe, foot or leg, or the sight

of an eye or the hearing of an ear; but in no event shall the compensation payable hereunder for such partial loss exceed the compensation payable under the schedule for the total loss of such finger, thumb, hand, arm, toe, foot or leg, or the sight of an eye or the hearing of an ear, exclusive of the healing period. As used in this paragraph (21), "shoulder" means the shoulder joint, shoulder girdle, shoulder musculature or any other shoulder structures.

(22) For traumatic hernia, compensation shall be limited to the compensation under K.S.A. 44-510h and 44-510i, and amendments thereto, compensation for temporary total disability during such period of time as such employee is actually unable to work on account of such hernia, and, in the event such hernia is inoperable, weekly compensation during 12 weeks, except that, in the event that such hernia is operable, the unreasonable refusal of the employee to submit to an operation for surgical repair of such hernia shall deprive such employee of any benefits under the workers compensation act.

(23) Loss of or loss of use of a scheduled member shall be based upon permanent impairment of function to the scheduled member as determined using the fourth edition of the American medical association guides to the evaluation of permanent impairment, if the impairment is contained therein, *until January 1, 2015, but for injuries occurring on and after January 1, 2015, shall be determined by using the sixth edition of the American medical association guides to the evaluation of permanent impairment, if the impairment is contained therein.*

(24) Where an injury results in the loss of or loss of use of more than one scheduled member within a single extremity, the functional impairment attributable to each scheduled member shall be combined pursuant to the fourth edition of the American medical association guides for evaluation of permanent impairment *until January 1, 2015, but for injuries occurring on and after January 1, 2015, shall be combined pursuant to the sixth edition of the American medical association guides to the evaluation of permanent impairment,* and compensation awarded shall be calculated to the highest scheduled member actually impaired.

(c) Whenever the employee is entitled to compensation for a specific injury under the foregoing schedule, the same shall be exclusive of all other compensation except the benefits provided in K.S.A. 44-510h and 44-510i, and amendments thereto, and no additional compensation shall be allowable or payable for any temporary or permanent, partial or total disability, except that the director, in proper cases, may allow additional compensation during the actual healing period, following amputation. The healing period shall not be more than 10% of the total period allowed for the scheduled injury in question nor in any event for longer than 15 weeks. The return of the employee to the employee's usual occupation shall terminate the healing period.

(d) The amount of compensation for permanent partial disability under this section shall be determined by multiplying the payment rate by the weeks payable. As used in this section:

(1) Payment rate shall be the lesser of: (A) The amount determined by multiplying the average weekly wage of the worker prior to such injury by 66⅔%; or (B) the maximum provided in K.S.A. 44-510c, and amendments thereto;

(2) weeks payable shall be determined as follows: (A) Determine the weeks of benefits provided for the injury on schedule; (B) determine the weeks of temporary compensation paid by adding the amounts of temporary total and temporary partial disability compensation paid and dividing the sum by the payment rate above; (C) subtract the weeks of temporary compensation calculated in (d)(2)(B) from the weeks of benefits provided for the injury as determined in (d)(2)(A); and (D) multiply the weeks as determined in (d)(2)(C) by the percentage of permanent partial impairment of function as determined under subsection (b)(23).

The resulting award shall be paid for the number of weeks at the payment rate until fully paid or modified. Under no circumstances shall the period of permanent partial disability run concurrently with the period of temporary total or temporary partial disability.

Sec. 9. K.S.A. 2012 Supp. 44-510e is hereby amended to read as follows: 44-510e. (a) In case of whole body injury resulting in temporary or permanent partial general disability not covered by the schedule in K.S.A. 44-510d, and amendments thereto, the employee shall receive weekly compensation as determined in this subsection during the period of temporary or permanent partial general disability not exceeding a maximum of 415 weeks.

(1) Weekly compensation for temporary partial general disability shall be 66⅔% of the difference between the average weekly wage that the employee was earning prior to the date of injury and the amount the employee is actually earning after such injury in any type of employment. In no case shall such weekly compensation exceed the maximum as provided for in K.S.A. 44-510c, and amendments thereto.

(2) (A) Permanent partial general disability exists when the employee is disabled in a manner which is partial in character and per-

manent in quality and which is not covered by the schedule in K.S.A. 44-510d, and amendments thereto. Compensation for permanent partial general disability shall also be paid as provided in this section where an injury results in:

(i) The loss of or loss of use of a shoulder, arm, forearm or hand of one upper extremity, combined with the loss of or loss of use of a shoulder, arm, forearm or hand of the other upper extremity;

(ii) the loss of or loss of use of a leg, lower leg or foot of one lower extremity, combined with the loss of or loss of use of a leg, lower leg or foot of the other lower extremity; or

(iii) the loss of or loss of use of both eyes.

(B) The extent of permanent partial general disability shall be the percentage of functional impairment the employee sustained on account of the injury as established by competent medical evidence and based on the fourth edition of the American medical association guides to the evaluation of permanent impairment, if the impairment is contained therein, *until January 1, 2015, but for injuries occurring on and after January 1, 2015, based on the sixth edition of the American medical association guides to the evaluation of permanent impairment, if the impairment is contained therein.*

(C) An employee may be eligible to receive permanent partial general disability compensation in excess of the percentage of functional impairment ("work disability") if:

(i) The percentage of functional impairment determined to be caused solely by the injury exceeds 7½% to the body as a whole or the overall functional impairment is equal to or exceeds 10% to the body as a whole in cases where there is preexisting functional impairment; and

(ii) the employee sustained a post-injury wage loss, as defined in subsection (a)(2)(E) of K.S.A. 44-510e, and amendments thereto, of at least 10% which is directly attributable to the work injury and not to other causes or factors.

In such cases, the extent of work disability is determined by averaging together the percentage of post-injury task loss demonstrated by the employee to be caused by the injury and the percentage of post-injury wage loss demonstrated by the employee to be caused by the injury.

(D) "Task loss" shall mean the percentage to which the employee, in the opinion of a licensed physician, has lost the ability to perform the work tasks that the employee performed in any substantial gainful employment during the five-year period preceding the injury. The permanent restrictions imposed by a licensed physician as a result of the work injury shall be used to determine those work tasks which the employee has lost the ability to perform. If the employee has preexisting permanent restrictions, any work tasks which the employee would have been deemed to have lost the ability to perform, had a task loss analysis been completed prior to the injury at issue, shall be excluded for the purposes of calculating the task loss which is directly attributable to the current injury.

(E) "Wage loss" shall mean the difference between the average weekly wage the employee was earning at the time of the injury and the average weekly wage the employee is capable of earning after the injury. The capability of a worker to earn post-injury wages shall be established based upon a consideration of all factors, including, but not limited to, the injured worker's age, physical capabilities, education and training, prior experience, and availability of jobs in the open labor market. The administrative law judge shall impute an appropriate post-injury average weekly wage based on such factors. Where the employee is engaged in post-injury employment for wages, there shall be a rebuttable presumption that the average weekly wage an injured worker is actually earning constitutes the post-injury average weekly wage that the employee is capable of earning. The presumption may be overcome by competent evidence.

(i) To establish post-injury wage loss, the employee must have the legal capacity to enter into a valid contract of employment. Wage loss caused by voluntary resignation or termination for cause shall in no way be construed to be caused by the injury.

(ii) The actual or projected weekly value of any employer-paid fringe benefits are to be included as part of the worker's post-injury average weekly wage and shall be added to the wage imputed by the administrative law judge pursuant to K.S.A. 44-510e(a)(2)(E), and amendments thereto.

(iii) The injured worker's refusal of accommodated employment within the worker's medical restrictions as established by the authorized treating physician and at a wage equal to 90% or more of the pre-injury average weekly wage shall result in a rebuttable presumption of no wage loss.

(F) The amount of compensation for whole body injury under this section shall be determined by multiplying the payment rate by the weeks payable. As used in this section: (1) The payment rate shall be the lesser of: (A) The amount determined by multiplying the average

weekly wage of the worker prior to such injury by 66⅔%; or (B) the maximum provided in K.S.A. 44-510c, and amendments thereto; (2) weeks payable shall be determined as follows: (A) Determine the weeks of temporary compensation paid by adding the amounts of temporary total and temporary partial disability compensation paid and dividing the sum by the payment rate above; (B) subtract from 415 weeks the total number of weeks of temporary compensation paid as determined in (F)(2)(A), excluding the first 15 such weeks; and (3) multiply the number of weeks as determined in (F)(2)(B) by the percentage of functional impairment pursuant to subsection (a)(2)(B) or the percentage of work disability pursuant to subsection (a)(2)(C), whichever is applicable.

(3) When an injured worker is eligible to receive an award of work disability, compensation is limited to the value of the work disability as calculated above. In no case shall functional impairment and work disability be awarded together.

The resulting award shall be paid for the number of disability weeks at the payment rate until fully paid or modified. In any case of permanent partial disability under this section, the employee shall be paid compensation for not to exceed 415 weeks following the date of such injury. If there is an award of permanent disability as a result of the compensable injury, there shall be a presumption that disability existed immediately after such injury. Under no circumstances shall the period of permanent partial disability run concurrently with the period of temporary total or temporary partial disability.

(b) If an employee has sustained an injury for which compensation is being paid, and the employee's death is caused by other and independent causes, any payment of compensation already due the employee at the time of death and then unpaid shall be paid to the employee's dependents directly or to the employee's legal representatives if the employee left no dependent, but the liability of the employer for the payments of compensation not yet due at the time of the death of such employee shall cease and be abrogated by the employee's death.

(c) The total amount of compensation that may be allowed or awarded an injured employee for all injuries received in any one accident shall in no event exceed the compensation which would be payable under the workers compensation act for 100% permanent total disability resulting from such accident.

(d) Where a minor employee or a minor employee's dependents are entitled to compensation under the workers compensation act, such compensation shall be exclusive of all other remedies or causes of action for such injury or death, and no claim or cause of action against the employer shall inure or accrue to or exist in favor of the parent or parents of such minor employee on account of any damage resulting to such parent or parents on account of the loss of earnings or loss of service of such minor employee.

(e) In any case of injury to or death of an employee, where the employee or the employee's dependents are entitled to compensation under the workers compensation act, such compensation shall be exclusive of all other remedies or causes of action for such injury or death, and no claim or action shall inure, accrue to or exist in favor of the surviving spouse or any relative or next of kin of such employee against such employer on account of any damage resulting to such surviving spouse or any relative or next of kin on account of the loss of earnings, services, or society of such employee or on any other account resulting from or growing out of the injury or death of such employee.

Sec. 10. K.S.A. 44-512 is hereby amended to read as follows: 44-512. Workers compensation payments shall be made at the same time, place and in the same manner as the wages of the worker were payable at the time of the accident, but upon the application of either party the administrative law judge may modify such requirements in a particular case as the administrative law judge deems just, except that: (a) Payments from the workers compensation fund established by K.S.A. 44-566a, and amendments thereto, shall be made in the manner approved by the commissioner of insurance; (b) payments from the state workers compensation self-insurance fund established by K.S.A. 44-575, and amendments thereto, shall be made in a manner approved by the secretary of ~~administration~~ *health and environment*; and (c) whenever temporary total disability compensation is to be paid under the workers compensation act, payments shall be made only in cash, by check or in the same manner that the employee is normally compensated for salary or wages and not by any other means, except that any such compensation may be paid by warrant of the director of accounts and reports issued for payment of such compensation from the workers compensation fund or the state workers compensation self-insurance fund under the workers compensation act.

Sec. 11. K.S.A. 2012 Supp. 44-520 is hereby amended to read as follows: 44-520. (a) (1) Proceedings for compensation under the workers

(continued)

compensation act shall not be maintainable unless notice of injury by accident or repetitive trauma is given to the employer by the earliest of the following dates:

(A) ~~30-20~~ calendar days from the date of accident or the date of injury by repetitive trauma;

(B) if the employee is working for the employer against whom benefits are being sought and such employee seeks medical treatment for any injury by accident or repetitive trauma, 20 calendar days from the date such medical treatment is sought; or

(C) if the employee no longer works for the employer against whom benefits are being sought, ~~20-10~~ calendar days after the employee's last day of actual work for the employer.

Notice may be given orally or in writing.

(2) Where notice is provided orally, if the employer has designated an individual or department to whom notice must be given and such designation has been communicated in writing to the employee, notice to any other individual or department shall be insufficient under this section. If the employer has not designated an individual or department to whom notice must be given, notice must be provided to a supervisor or manager.

(3) Where notice is provided in writing, notice must be sent to a supervisor or manager at the employee's principal location of employment. The burden shall be on the employee to prove that such notice was actually received by the employer.

(4) The notice, whether provided orally or in writing, shall include the time, date, place, person injured and particulars of such injury. It must be apparent from the content of the notice that the employee is claiming benefits under the workers compensation act or has suffered a work-related injury.

(b) The notice required by subsection (a) shall be waived if the employee proves that: (1) The employer or the employer's duly authorized agent had actual knowledge of the injury; (2) the employer or the employer's duly authorized agent was unavailable to receive such notice within the applicable period as provided in paragraph (1) of subsection (a); or (3) the employee was physically unable to give such notice.

(c) For the purposes of calculating the notice period proscribed in subsection (a), weekends shall be included.

Sec. 12. K.S.A. 2012 Supp. 44-523 is hereby amended to read as follows: 44-523. (a) The director, administrative law judge or board shall not be bound by technical rules of procedure, but shall give the parties reasonable opportunity to be heard and to present evidence, ~~insure en-~~sure the employee and the employer an expeditious hearing and act reasonably without partiality.

(b) Whenever a party files an application for hearing pursuant to K.S.A. 44-534, and amendments thereto, the matter shall be assigned to an administrative law judge for hearing and the administrative law judge shall set a terminal date to require the claimant to submit all evidence in support of the claimant's claim no later than 30 days after the first full hearing before the administrative law judge and to require the respondent to submit all evidence in support of the respondent's position no later than 30 days thereafter. An extension of the foregoing time limits shall be granted if all parties agree. An extension of the foregoing time limits may also be granted:

(1) If the employee is being paid temporary or permanent total disability compensation;

(2) for medical examination of the claimant if the party requesting the extension explains in writing to the administrative law judge facts showing that the party made a diligent effort but was unable to have a medical examination conducted prior to the submission of the case by the claimant but then only if the examination appointment was set and notice of the appointment sent prior to submission by the claimant; or

(3) on application for good cause shown.

(c) When all parties have submitted the case to an administrative law judge for an award, the administrative law judge shall issue an award within 30 days. The administrative law judge shall not stay a decision due to the absence of a submission letter. When the award is not entered in 30 days, any party to the action may notify the director that an award is not entered and the director shall assign the matter to an assistant director or to a special administrative law judge who shall enter an award forthwith based on the evidence in the record, or the director, on the director's own motion, may remove the case from the administrative law judge who has not entered an award within 30 days following submission by the party and assign it to an assistant director or to a special administrative law judge for immediate decision based on the evidence in the record.

(d) Not less than 10 days prior to the first full hearing before an administrative law judge, the administrative law judge shall conduct a prehearing settlement conference for the purpose of obtaining stipulations from the parties, determining the issues and exploring the possi-

bility that the parties may resolve those issues and reach a settlement prior to the first full hearing.

(e) (1) If a party or a party's attorney believes that the administrative law judge to whom a case is assigned cannot afford that party a fair hearing in the case, the party or attorney may file a motion for change of administrative law judge. A party or a party's attorney shall not file more than one motion for change of administrative law judge in a case. The administrative law judge shall promptly hear the motion informally upon reasonable notice to all parties who have appeared in the case. Notwithstanding the provisions of K.S.A. 44-552, and amendments thereto, the administrative law judge shall decide, in the administrative law judge's discretion, whether or not the hearing of such motion shall be taken down by a certified shorthand reporter. If the administrative law judge disqualifies the administrative law judge's self, the case shall be assigned to another administrative law judge by the director. If the administrative law judge refuses to disqualify the administrative law judge's self, the party seeking a change of administrative law judge may, *within 10 days of the refusal, file in the district court of the county in which the accident or injury occurred the affidavit provided in subsection (e)(2). If an affidavit is to be filed in the district court, it shall be filed within 10 days an appeal with the workers compensation board.*

(2) ~~If a party or a party's attorney files an affidavit alleging any of the grounds specified in subsection (e)(3), the chief judge shall at once determine, or refer the affidavit to another district court judge for prompt determination of, the legal sufficiency of the affidavit. If the affidavit is filed in a district court in which there is no other judge who is qualified to hear the matter, the chief judge shall at once notify the departmental justice for the district and request the appointment of another district judge to determine the legal sufficiency of the affidavit. If the affidavit is found to be legally sufficient, the district court judge shall order the director to assign the case to another administrative law judge or to an assistant director. The party or a party's attorney shall file with the workers compensation board an affidavit alleging one or more of the grounds specified in subsection (e).~~

(3) ~~If a majority of the workers compensation board finds legally sufficient grounds, it shall direct the director to assign the case to another administrative law judge.~~

~~(4)~~(4) Grounds which may be alleged as provided in subsection (e)(2) for change of administrative law judge are that:

(A) The administrative law judge has been engaged as counsel in the case prior to the appointment as administrative law judge.

(B) The administrative law judge is otherwise interested in the case.

(C) The administrative law judge is related to either party in the case.

(D) The administrative law judge is a material witness in the case.

(E) The party or party's attorney filing the affidavit has cause to believe and does believe that on account of the personal bias, prejudice or interest of the administrative law judge such party cannot obtain a fair and impartial hearing. Such affidavit shall state the facts and the reasons for the belief that bias, prejudice or an interest exists.

~~(4)~~(5) In any affidavit filed pursuant to subsection (e)(2), the recital of previous rulings or decisions by the administrative law judge on legal issues or concerning prior motions for change of administrative law judge filed by counsel or such counsel's law firm, pursuant to this subsection, shall not be deemed legally sufficient for any ~~believe~~ belief that bias or prejudice exists.

(6) ~~Notwithstanding the provisions of K.S.A. 44-556, and amendments thereto, no interlocutory appeal to the court of appeals of the workers compensation appeals board's decision regarding recusal shall be allowed while the resolution of the claim for compensation is pending before an administrative law judge or the workers compensation appeals board.~~

(f) (1) In any claim that has not proceeded to a regular hearing, a settlement hearing, or an agreed award under the workers compensation act within three years from the date of filing an application for hearing pursuant to K.S.A. 44-534, and amendments thereto, the employer shall be permitted to file with the division an application for dismissal based on lack of prosecution. The matter shall be set for hearing with notice to the claimant's attorney, if the claimant is represented, or to the claimant's last known address. The administrative law judge may grant an extension for good cause shown, which shall be conclusively presumed in the event that the claimant has not reached maximum medical improvement, provided such motion to extend is filed prior to the three year limitation provided for herein. If the claimant cannot establish good cause, the claim shall be dismissed with prejudice by the administrative law judge for lack of prosecution. Such dismissal shall be considered a final disposition at a full hearing on the claim for purposes of employer reimbursement from the fund pursuant to subsection (b) of K.S.A. 44-534a, and amendments thereto.

(2) In any claim which has not proceeded to regular hearing within one year from the date of a preliminary award denying compensability of the claim, the employer shall be permitted to file with the division an application for dismissal based on lack of prosecution. The matter shall be set for hearing with notice to the claimant's attorney, if the claimant is represented, or to the claimant's last known address. Unless the claimant can prove a good faith reason for delay, the claim shall be dismissed with prejudice by the administrative law judge. Such dismissal shall be considered a final disposition at a full hearing on the claim for purposes of employer reimbursement from the fund pursuant to subsection (b) of K.S.A. 44-534a, and amendments thereto.

(3) This section shall not affect any future benefits which have been left open upon proper application by an award or settlement.

Sec. 13. K.S.A. 2012 Supp. 44-532a is hereby amended to read as follows: 44-532a. (a) If an employer has no insurance or ~~has an insufficient self-insurance bond or letter of credit to secure the payment of compensation or has insufficiently funded a self-insurance bond~~, as provided in subsection (b)(1) and (2) of K.S.A. 44-532, and amendments thereto, and such employer is financially unable to pay compensation to an injured worker as required by the workers compensation act, or such employer cannot be located and required to pay such compensation, the injured worker may apply to the director for an award of the compensation benefits, including medical compensation, to which such injured worker is entitled, to be paid from the workers compensation fund. Whenever a worker files an application under this section, the matter shall be assigned to an administrative law judge for hearing. If the administrative law judge is satisfied as to the existence of the conditions prescribed by this section, the administrative law judge may make an award, or modify an existing award, and prescribe the payments to be made from the workers compensation fund as provided in K.S.A. 44-569, and amendments thereto. The award shall be certified to the commissioner of insurance, and upon receipt thereof, the commissioner of insurance shall cause payment to be made to the worker in accordance therewith.

(b) The commissioner of insurance, acting as administrator of the workers compensation fund, shall have a cause of action against the employer for recovery of any amounts paid from the workers compensation fund pursuant to this section. Such action shall be filed in the district court of the county in which the accident occurred or where the contract of employment was entered into.

Sec. 14. K.S.A. 44-557 is hereby amended to read as follows: 44-557. (a) It is hereby made the duty of every employer to make or cause to be made a report to the director of any accident, or claimed or alleged accident, to any employee which occurs in the course of the employee's employment and of which the employer or the employer's supervisor has knowledge, which report shall be made upon a form to be prepared by the director, within 28 days, after the receipt of such knowledge, if the personal injuries which are sustained by such accidents, are sufficient wholly or partially to incapacitate the person injured from labor or service for more than the remainder of the day, shift or turn on which such injuries were sustained.

(b) When such accident has been reported and subsequently such person has died, a supplemental report shall be filed with the director within 28 days after receipt of knowledge of such death, stating such fact and any other facts in connection with such death or as to the dependents of such deceased employee which the director may require. Such report or reports shall not be used nor considered as evidence before the director, any administrative law judge, the board or in any court in this state.

~~(c) No limitation of time in the workers compensation act shall begin to run unless a report of the accident as provided in this section has been filed at the office of the director if the injured employee has given notice of accident as provided by K.S.A. 44-520 and amendments thereto, except that any proceeding for compensation for any such injury or death, where report of the accident has not been filed, must be commenced by serving upon the employer a written claim pursuant to K.S.A. 44-520a and amendments thereto within one year from the date of the accident, suspension of payment of disability compensation, the date of the last medical treatment authorized by the employer, or the death of such employee referred to in K.S.A. 44-520a and amendments thereto.~~

~~(d)~~(c) The repeated failure of any employer to file or cause to be filed any report required by this section shall be subject to a civil penalty for each violation of not to exceed \$250.

~~(e)~~(d) Any civil penalty imposed by this section shall be recovered, by the assistant attorney general upon information received from the director, by issuing and serving upon such employer a summary order or statement of the charges with respect thereto and a hearing shall be conducted thereon in accordance with the provisions of the Kansas ad-

ministrative procedure act, except that, at the discretion of the director, such civil penalties may be assessed as costs in a workers compensation proceeding by an administrative law judge upon a showing by the assistant attorney general that a required report was not filed which pertains to a claim pending before the administrative law judge.

Sec. 15. K.S.A. 2012 Supp. 44-575 is hereby amended to read as follows: 44-575. (a) As used in K.S.A. 44-575 through 44-580, and amendments thereto, "state agency" means the state, or any department or agency of the state, but not including the Kansas turnpike authority, the university of Kansas hospital authority, any political subdivision of the state or the district court with regard to district court officers or employees whose total salary is payable by counties.

(b) For the purposes of providing for the payment of compensation for claims arising on and after July 1, 1974, and all other amounts required to be paid by any state agency as a self-insured employer under the workers compensation act and any amendments or additions thereto, there is hereby established the state workers compensation self-insurance fund in the state treasury. The name of the state workmen's compensation self-insurance fund is hereby changed to the state workers compensation self-insurance fund. Whenever the state workmen's compensation self-insurance fund is referred to or designated by any statute, contract or other document, such reference or designation shall be deemed to apply to the state workers compensation self-insurance fund.

(c) The state workers compensation self-insurance fund shall be liable to pay: (1) All compensation for claims arising on and after July 1, 1974, and all other amounts required to be paid by any state agency as a self-insured employer under the workers compensation act and any amendments or additions thereto; (2) the amount that all state agencies are liable to pay of the "carrier's share of expense" of the administration of the office of the director of workers' compensation as provided in K.S.A. 74-712 through 74-719, and amendments thereto, for each fiscal year; (3) all compensation for claims remaining from the self-insurance program which existed prior to July 1, 1974, for institutional employees of the division of mental health and retardation services of the department of social and rehabilitation services; (4) the cost of administering the state workers compensation self-insurance fund including the defense of such fund and any costs assessed to such fund in any proceeding to which it is a party; and (5) the cost of establishing and operating the state workplace health and safety program under subsection (f). For the purposes of K.S.A. 44-575 through 44-580, and amendments thereto, all state agencies are hereby deemed to be a single employer whose liabilities specified in this section are hereby imposed solely upon the state workers compensation self-insurance fund and such employer is hereby declared to be a fully authorized and qualified self-insurer under K.S.A. 44-532, and amendments thereto, but such employer shall not be required to make any reports thereunder.

(d) The secretary of ~~administration~~ *health and environment* shall administer the state workers compensation self-insurance fund and all payments from such fund shall be upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of ~~administration~~ *health and environment* or a person or persons designated by the secretary. The director of accounts and reports may issue warrants pursuant to vouchers approved by the secretary for payments from the state workers compensation self-insurance fund notwithstanding the fact that claims for such payments were not submitted or processed for payment from money appropriated for the fiscal year in which the state workers compensation self-insurance fund first became liable to make such payments.

(e) The secretary of ~~administration~~ *health and environment* shall remit all moneys received by or for the secretary in the capacity as administrator of the state workers compensation self-insurance fund, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state workers compensation self-insurance fund.

(f) There is hereby established the state workplace health and safety program within the state workers compensation self-insurance program of the department of ~~administration~~ *health and environment*. The secretary of ~~administration~~ *health and environment* shall implement and ~~administer~~ *the division of industrial health and safety of the Kansas department of labor shall assist in administering* the state workplace health and safety program for state agencies. The state workplace health and safety program shall include, but not be limited to:

(1) Workplace health and safety hazard surveys in all state agencies, including onsite interviews with employees;

(2) workplace health and safety hazard prevention services, including inspection and consultation services;

(continued)

- (3) procedures for identifying and controlling workplace hazards;
- (4) development and dissemination of health and safety informational materials, plans, rules and work procedures; and
- (5) training for supervisors and employees in healthful and safe work practices.

Sec. 16. K.S.A. 2012 Supp. 44-577 is hereby amended to read as follows: 44-577. (a) All claims for compensation under the workers compensation act against any state agency for claims arising on and after July 1, 1974, and claims for compensation remaining from the self-insurance program which existed prior to July 1, 1974, for institutional employees of the division of mental health and retardation services of the department of social and rehabilitation services shall be made against the state workers compensation self-insurance fund. Such claims shall be served upon the secretary of ~~administration health and environment~~ in the secretary's capacity as administrator of the state workers compensation self-insurance fund in the manner provided for claims against other employers under the workers compensation act. The chief attorney for the department of ~~administration health and environment~~, or another attorney of the department of ~~administration health and environment~~ designated by the chief attorney, shall represent and defend the state workers compensation self-insurance fund in all proceedings under the workers compensation act.

(b) The secretary of ~~administration health and environment~~ shall investigate, or cause to be investigated, each claim for compensation against the state workers compensation self-insurance fund. For the purposes of such investigations, the secretary of ~~administration health and environment~~ is authorized to obtain expert medical advice regarding the injuries, occupational diseases and disabilities involved in such claims. If, based upon such investigation and any other available information, the secretary of ~~administration health and environment~~ finds that there is

no material dispute as to any issue involved in the claim, that the claim is valid and that the claim should be settled by agreement, the secretary of ~~administration health and environment~~ may proceed to enter into such an agreement with the claimant, for the state workers compensation self-insurance fund. Any such agreement may provide for lump-sum settlements subject to approval by the director and all such agreements shall be filed in the office of the director for approval as provided in K.S.A. 44-527, and amendments thereto. All other claims for compensation against such fund shall be paid in accordance with the workers compensation act pursuant to final awards or orders of an administrative law judge or the board or pursuant to orders and findings of the director under the workers compensation act.

(c) For purposes of the workers compensation act, a volunteer member of a regional emergency medical response team as provided in K.S.A. 48-928, and amendments thereto, shall be considered a person in the service of the state in connection with authorized training and upon activation for emergency response, except when such duties arise in the course of employment or as a volunteer for an employer other than the state.

Sec. 17. K.S.A. 44-578 is hereby amended to read as follows: 44-578. The secretary of ~~administration health and environment~~ may adopt rules and regulations necessary for the administration of the state workers compensation self-insurance fund, including the processing and settling of claims for compensation made against such fund. ~~Such rules and regulations shall be subject to the provisions of K.S.A. 75-3706 and amendments thereto and shall be adopted in accordance therewith.~~

Sec. 18. K.S.A. 44-510j, 44-512, 44-557 and 44-578 and K.S.A. 2012 Supp. 2-224a, 44-508, 44-510d, 44-510e, 44-520, 44-523, 44-532a, 44-551, 44-555c, 44-575, 44-577, 44-709 and 75-5708 are hereby repealed.

Sec. 19. 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 2009 Volumes of the *Kansas Administrative Regulations* and the 2012 Supplement of the *Kansas Administrative Regulations*.

AGENCY 1: DEPARTMENT OF ADMINISTRATION

Reg. No.	Action	Register
1-64-1	Revoked	V. 31, p. 171

AGENCY 4: DEPARTMENT OF AGRICULTURE

Reg. No.	Action	Register
4-15-4	Amended	V. 31, p. 570
4-15-5	Amended	V. 31, p. 301
4-15-6	Amended	V. 31, p. 301
4-15-7	Amended	V. 31, p. 570
4-15-8	Amended	V. 31, p. 570
4-15-9	Amended	V. 31, p. 571
4-15-9a	New	V. 31, p. 571
4-15-10	Amended	V. 31, p. 571
4-15-13	Amended	V. 31, p. 572
4-27-2 through 4-27-5	Amended	V. 32, p. 93, 94
4-27-8 through 4-27-12	Amended	V. 32, p. 95-100
4-27-15 through 4-27-18	Amended	V. 32, p. 100-104
4-27-20	Amended	V. 32, p. 104
4-27-21	Amended	V. 32, p. 104
4-28-1	Amended	V. 32, p. 105
4-28-2	Amended	V. 32, p. 349
4-28-3	Revoked	V. 31, p. 1276
4-28-4	Revoked	V. 31, p. 1276

4-28-5	Amended	V. 32, p. 105
4-28-6	Amended (T)	V. 31, p. 998
4-28-6	Amended	V. 31, p. 1276
4-28-7	Revoked	V. 31, p. 1277
4-28-8	Amended	V. 32, p. 349
4-28-9 through 4-28-16	Revoked	V. 32, p. 349
4-28-18 through 4-28-22	Revoked	V. 32, p. 105
4-28-23	Amended	V. 32, p. 105
4-28-24 through 4-28-30	Revoked	V. 32, p. 106
4-28-31	New (T)	V. 31, p. 998
4-28-31	New	V. 31, p. 1277
4-28-32	New	V. 32, p. 106

AGENCY 5: DEPARTMENT OF AGRICULTURE—DIVISION OF WATER RESOURCES

Reg. No.	Action	Register
5-9-3	Amended	V. 31, p. 773

AGENCY 7: SECRETARY OF STATE

Reg. No.	Action	Register
7-23-4	Amended	V. 31, p. 197
7-23-14	New	V. 31, p. 197
7-36-7	New	V. 31, p. 198
7-36-8	New	V. 31, p. 199
7-46-1	New	V. 31, p. 199
7-46-2	New	V. 31, p. 199
7-46-3	New	V. 31, p. 200

AGENCY 14: DEPARTMENT OF REVENUE—DIVISION OF ALCOHOLIC BEVERAGE CONTROL

Reg. No.	Action	Register
14-13-1	Amended (T)	V. 31, p. 1356
14-13-1	Amended	V. 32, p. 148
14-13-2	Amended	V. 32, p. 149
14-13-3	Revoked	V. 32, p. 150
14-13-4 through 14-13-10	Amended	V. 32, p. 150, 151
14-13-11	Revoked	V. 32, p. 152
14-13-13	Amended (T)	V. 31, p. 1357
14-13-13	Amended	V. 32, p. 152

14-13-15	Amended	V. 32, p. 153
14-13-16	New (T)	V. 31, p. 1358
14-13-17	New (T)	V. 31, p. 1359
14-16-25	Amended	V. 31, p. 1427

AGENCY 16: ATTORNEY GENERAL

Reg. No.	Action	Register
16-12-1 through 16-12-10	New (T)	V. 31, p. 1359-1365
16-12-1 through 16-12-10	New	V. 32, p. 23-29

AGENCY 17: OFFICE OF THE STATE BANK COMMISSIONER

Reg. No.	Action	Register
17-11-18	Amended	V. 32, p. 372

AGENCY 20: CRIME VICTIMS COMPENSATION BOARD

Reg. No.	Action	Register
20-2-5	Revoked	V. 31, p. 1031
20-3-1	Revoked	V. 31, p. 1031
20-3-2	Revoked	V. 31, p. 1031

AGENCY 22: STATE FIRE MARSHAL

Reg. No.	Action	Register
22-25-1	New	V. 31, p. 973
22-25-2	New	V. 31, p. 974

AGENCY 28: DEPARTMENT OF HEALTH AND ENVIRONMENT

Reg. No.	Action	Register
28-19-350	Amended	V. 31, p. 1507
28-19-735	Amended	V. 31, p. 1508
28-19-750	Amended	V. 31, p. 1509
28-19-750a	Amended	V. 31, p. 1509
28-21-2	Revoked	V. 32, p. 106
28-21-4	Revoked	V. 32, p. 106
28-21-5	Revoked	V. 32, p. 106
28-23-1	Revoked	V. 32, p. 106
28-23-2	Revoked	V. 32, p. 106
28-23-3	Revoked	V. 32, p. 106
28-23-6	Revoked	V. 32, p. 106
28-23-7	Revoked	V. 32, p. 106
28-23-11	Revoked	V. 32, p. 106
28-23-12	Revoked	V. 32, p. 106
28-23-13	Revoked	V. 32, p. 106

28-29-300	Amended	V. 31, p. 1509
28-29-330		
through		
28-29-333	New	V. 31, p. 1510
28-31-10	Amended	V. 31, p. 196
28-32-13	Amended	V. 32, p. 208
28-35-147a	Amended	V. 32, p. 260
28-35-600		
through		
28-35-608	New	V. 31, p. 90-93
28-54-1		
through		
28-54-5	Amended	V. 31, p. 280-282
28-56-1		
through		
28-56-10	New	V. 31, p. 708-711
28-56-2	Amended	V. 31, p. 1528
28-75-100	New	V. 32, p. 23

AGENCY 30: DEPARTMENT FOR CHILDREN AND FAMILIES (FORMERLY DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES)

Reg. No.	Action	Register
30-46-10	Amended (T)	V. 31, p. 887
30-46-10	Amended	V. 31, p. 1126

AGENCY 40: KANSAS INSURANCE DEPARTMENT

Reg. No.	Action	Register
40-1-20	Amended	V. 32, p. 183
40-1-37	Amended	V. 31, p. 887
40-1-48	Amended	V. 31, p. 887
40-2-14a	Amended	V. 32, p. 183
40-4-42c	Amended	V. 31, p. 170
40-5-7	Revoked	V. 31, p. 114

AGENCY 44: DEPARTMENT OF CORRECTIONS

Reg. No.	Action	Register
44-5-115	Amended	V. 32, p. 58
44-6-101	Amended	V. 32, p. 58
44-6-114e	Amended	V. 32, p. 60
44-6-115a	Amended	V. 32, p. 64
44-6-115b	Amended	V. 32, p. 65
44-6-115c	Amended	V. 32, p. 66
44-6-125	Amended	V. 32, p. 67
44-6-127	Amended	V. 32, p. 68
44-6-134	Amended	V. 32, p. 69
44-6-135	Amended	V. 32, p. 69
44-6-135a	Amended	V. 32, p. 70
44-6-138	Amended	V. 32, p. 70
44-9-101	Amended	V. 31, p. 302
44-9-105	Amended	V. 31, p. 303
44-9-107	New	V. 31, p. 304
44-9-501		
through		
44-9-504	New	V. 31, p. 304, 305
44-11-111	Amended	V. 31, p. 193
44-11-113	Amended	V. 31, p. 194
44-11-119	Amended	V. 31, p. 195
44-11-121	Amended	V. 31, p. 195
44-11-123	Amended	V. 31, p. 195
44-11-127	Amended	V. 31, p. 195
44-11-129	Amended	V. 31, p. 196
44-11-132	Amended	V. 31, p. 196

AGENCY 45: PRISONER REVIEW BOARD

Reg. No.	Action	Register
45-100-1	Revoked	V. 31, p. 306
45-500-1		
through		
45-500-4	Revoked	V. 31, p. 306

AGENCY 51: DEPARTMENT OF LABOR—DIVISION OF WORKERS COMPENSATION

Reg. No.	Action	Register
51-9-17	Amended	V. 32, p. 88

AGENCY 60: BOARD OF NURSING

Reg. No.	Action	Register
60-11-101	Amended	V. 31, p. 572
60-11-102	Amended	V. 31, p. 573
60-11-103	Amended	V. 31, p. 573

60-11-104	Amended	V. 31, p. 574
60-11-104a	Amended	V. 31, p. 574
60-11-105	Amended	V. 31, p. 574
60-11-106	Amended	V. 31, p. 575
60-11-107	Amended	V. 31, p. 575
60-11-113	Amended	V. 31, p. 575
60-11-116	Amended	V. 31, p. 575
60-11-118	Amended	V. 31, p. 576
60-11-119	Amended	V. 31, p. 576
60-11-120	Amended	V. 31, p. 576
60-11-121	Amended	V. 31, p. 576
60-13-112	Amended	V. 31, p. 576
60-16-102	Amended	V. 31, p. 577
60-16-103	Amended	V. 31, p. 577
60-16-104	Amended	V. 31, p. 578
60-17-101	Amended	V. 31, p. 580
60-17-104	Amended	V. 31, p. 580
60-17-105	Amended	V. 31, p. 581
60-17-110	Amended	V. 31, p. 581
60-17-111	Amended	V. 31, p. 581

AGENCY 68: BOARD OF PHARMACY

Reg. No.	Action	Register
68-20-30	New (T)	V. 31, p. 1049

AGENCY 69: BOARD OF COSMETOLOGY

Reg. No.	Action	Register
69-12-3	Amended	V. 31, p. 1314
69-13-4	New	V. 31, p. 1314

AGENCY 74: BOARD OF ACCOUNTANCY

Reg. No.	Action	Register
74-1-4	Amended	V. 31, p. 607
74-2-7	Amended	V. 31, p. 607
74-4-3a	Amended	V. 31, p. 608
74-4-7	Amended	V. 31, p. 608
74-4-8	Amended	V. 31, p. 609
74-4-10	Amended	V. 31, p. 610
74-5-2	Amended	V. 31, p. 610
74-5-101	Amended	V. 31, p. 611
74-5-202	Amended	V. 31, p. 612
74-5-302	Revoked	V. 31, p. 612
74-11-6	Amended	V. 31, p. 612

AGENCY 82: STATE CORPORATION COMMISSION

Reg. No.	Action	Register
82-3-1200		
through		
82-3-1223	New	V. 31, p. 1472-1490

AGENCY 88: BOARD OF REGENTS

Reg. No.	Action	Register
88-3-8a	Amended	V. 32, p. 11
88-29-1	Amended	V. 32, p. 43
88-29-5	Amended	V. 31, p. 381
88-29-6	Amended	V. 31, p. 382
88-29-7	Amended	V. 32, p. 44
88-29-7a	Amended	V. 31, p. 382
88-29-8	Amended	V. 32, p. 44
88-29-8a	Amended	V. 32, p. 45
88-29-8b	Amended	V. 32, p. 45
88-29-8c	Amended	V. 32, p. 46
88-29-10	Amended	V. 31, p. 382
88-29-11	Amended	V. 31, p. 1246
88-29a-1	New	V. 32, p. 46
88-29a-2	New	V. 32, p. 47
88-29a-5	Amended	V. 31, p. 383
88-29a-6	Amended	V. 31, p. 384
88-29a-7	Amended	V. 32, p. 47
88-29a-7a	Amended	V. 31, p. 385
88-29a-8	Amended	V. 32, p. 48
88-29a-8c	Amended	V. 32, p. 48
88-29a-10	Amended	V. 31, p. 385
88-29a-11	Amended	V. 31, p. 387
88-29a-18	Amended	V. 31, p. 388
88-29a-19	Amended	V. 31, p. 389
88-29b-1		
through		
88-29b-7	New	V. 32, p. 49-53
88-29b-7a	New	V. 32, p. 54
88-29b-8	New	V. 32, p. 54
88-29b-8a	New	V. 32, p. 54
88-29b-8b	New	V. 32, p. 54

88-29b-8c	New	V. 32, p. 55
88-29b-9	New	V. 32, p. 55
88-29b-10	New	V. 32, p. 56

AGENCY 91: DEPARTMENT OF EDUCATION

Reg. No.	Action	Register
91-1-209	Amended	V. 31, p. 974
91-42-1	New	V. 32, p. 317
91-42-2	New	V. 32, p. 317

AGENCY 100: BOARD OF HEALING ARTS

Reg. No.	Action	Register
100-28a-5	Amended	V. 31, p. 323
100-28a-10	Amended	V. 31, p. 324

AGENCY 102: BEHAVIORAL SCIENCES REGULATORY BOARD

Reg. No.	Action	Register
102-6-1	Revoked	V. 31, p. 114
102-6-2	Revoked	V. 31, p. 114
102-6-4	Revoked	V. 31, p. 114
102-6-5	Revoked	V. 31, p. 114
102-6-8	Revoked	V. 31, p. 114
102-6-9	Revoked	V. 31, p. 114
102-6-9a	Revoked	V. 31, p. 114
102-6-10	Revoked	V. 31, p. 114
102-6-11	Revoked	V. 31, p. 114
102-6-12	Revoked	V. 31, p. 114

AGENCY 105: BOARD OF INDIGENTS' DEFENSE SERVICES

Reg. No.	Action	Register
105-3-2	Amended (T)	V. 31, p. 1002
105-3-2	Amended	V. 31, p. 1313
105-7-1		
through		
105-7-4	Amended	V. 31, p. 1427, 1428
105-7-6	Amended	V. 31, p. 1428
105-7-8	Revoked	V. 31, p. 1428
105-11-1	Amended	V. 31, p. 1428

AGENCY 106: COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING (FORMERLY LAW ENFORCEMENT TRAINING COMMISSION)

Reg. No.	Action	Register
106-1-1		
through		
106-1-8	Revoked (T)	V. 31, p. 1002
106-1-1		
through		
106-1-8	Revoked	V. 31, p. 1221
106-2-1	New (T)	V. 31, p. 1002
106-2-1	New	V. 31, p. 1221
106-2-2	New (T)	V. 31, p. 1003
106-2-2	New	V. 31, p. 1221
106-2-2a	New (T)	V. 31, p. 1003
106-2-2a	New	V. 31, p. 1221
106-2-3	New (T)	V. 31, p. 1004
106-2-3	New	V. 31, p. 1223
106-2-4	New (T)	V. 31, p. 1005
106-2-4	New	V. 31, p. 1223
106-3-1		
through		
106-3-6	New (T)	V. 31, p. 1005, 1006
106-3-1		
through		
106-3-6	New	V. 31, p. 1223, 1224
106-4-1	New (T)	V. 31, p. 1006
106-4-1	New	V. 31, p. 1224

AGENCY 107: LAW ENFORCEMENT TRAINING CENTER

Reg. No.	Action	Register
107-1-1		
through		
107-1-5	Revoked (T)	V. 31, p. 1007
107-1-1		
through		
107-1-5	Revoked	V. 31, p. 1225
107-2-1	Revoked (T)	V. 31, p. 1007
107-2-1	Revoked	V. 31, p. 1225

(continued)

107-3-1 Revoked (T) V. 31, p. 1007
 107-3-1 Revoked V. 31, p. 1226

**AGENCY 109: BOARD OF
 EMERGENCY MEDICAL SERVICES**

Reg. No.	Action	Register
109-1-1	Amended	V. 32, p. 226
109-1-1a	Revoked	V. 32, p. 229
109-3-3	New	V. 31, p. 246
109-3-4	New	V. 31, p. 247
109-3-5	Amended	V. 31, p. 1295
109-5-1c	New	V. 31, p. 247
109-5-3	Amended	V. 32, p. 230
109-5-5	Amended	V. 32, p. 231
109-5-7c	New (T)	V. 31, p. 245
109-5-7c	New	V. 31, p. 497
109-7-1	Amended	V. 31, p. 248
109-8-2	New	V. 31, p. 225
109-10-1c	New	V. 31, p. 225
109-11-1	Revoked	V. 32, p. 231
109-11-3	Revoked	V. 32, p. 231
109-11-4	Revoked	V. 32, p. 231
109-11-4a	New	V. 31, p. 225
109-11-5	Revoked	V. 32, p. 231
109-11-6	Revoked	V. 32, p. 231
109-13-1	Amended	V. 31, p. 248
109-15-1	Amended	V. 32, p. 231

AGENCY 111: KANSAS LOTTERY

A complete index listing all regulations filed by the Kansas Lottery from 1988 through 2000 can be found in the Vol. 19, No. 52, December 28, 2000 Kansas Register. A list of regulations filed from 2001 through 2003 can be found in the Vol. 22, No. 52, December 25, 2003 Kansas Register. A list of regulations filed from 2004 through 2005 can be found in the Vol. 24, No. 52, December 29, 2005 Kansas Register. A list of regulations filed from 2006 through 2007 can be found in the Vol. 26, No. 52, December 27, 2007 Kansas Register. A list of regulations filed from 2008 through November 2009 can be found in the Vol. 28, No. 53, December 31, 2009 Kansas Register. A list of regulations filed from December 1, 2009 through December 21, 2011, can be found in the Vol. 30, No. 52, December 29, 2011 Kansas Register. The following regulations were filed after December 22, 2011:

Reg. No.	Action	Register
111-2-270		
through		
111-2-276	New	V. 31, p. 114-116
111-2-277		
through		
111-2-282	New	V. 31, p. 582, 583
111-2-283		
through		
111-2-286	New	V. 31, p. 648
111-2-287	New	V. 31, p. 1428
111-2-288	New	V. 31, p. 1428
111-2-289		
through		
111-2-293	New	V. 32, p. 126-128
111-2-294	New	V. 32, p. 278
111-2-295	New	V. 32, p. 278
111-2-296	New	V. 32, p. 297
111-2-297	New	V. 32, p. 297
111-2-298		
through		
111-2-305	New	V. 32, p. 321-324
111-4-3135	New	V. 31, p. 116
111-4-3136	New	V. 31, p. 121
111-4-3137		
through		
111-4-3142	New	V. 31, p. 274-278
111-4-3144		
through		
111-4-3158	New	V. 31, p. 345-354
111-4-3159		
through		
111-4-3162	New	V. 31, p. 583-587
111-4-3163		
through		
111-4-3171	New	V. 31, p. 613-617

111-4-3172		
through		
111-4-3181	New	V. 31, p. 649-656
111-4-3182		
through		
111-4-3196	New	V. 31, p. 1429-1441
111-4-3197		
through		
111-4-3203	New	V. 31, p. 1468-1470
111-4-3204		
through		
111-4-3211	New	V. 31, p. 1541-1547
111-4-3212		
through		
111-4-3216	New	V. 32, p. 128-131
111-4-3217		
through		
111-4-3223	New	V. 32, p. 153-159
111-4-3224	New	V. 32, p. 278
111-4-3225	New	V. 32, p. 298
111-4-3226	New	V. 32, p. 299
111-4-3227		
through		
111-4-3232	New	V. 32, p. 324-327
111-4-3233		
through		
111-4-3236	New	V. 32, p. 350
111-5-23		
through		
111-5-28	Amended	V. 31, p. 355-358
111-5-31	Amended	V. 31, p. 359
111-5-33	Amended	V. 31, p. 279
111-5-82	Amended	V. 31, p. 657
111-5-83	Amended	V. 31, p. 657
111-5-194	Amended	V. 31, p. 359
111-5-200	New	V. 31, p. 360
111-5-201		
through		
111-5-206	New	V. 31, p. 618, 619
111-7-249		
through		
111-7-254	New	V. 32, p. 300-302
111-7-255		
through		
111-7-260	New	V. 32, p. 353, 354
111-9-174	New	V. 31, p. 122
111-9-175	New	V. 31, p. 123
111-9-176	New	V. 31, p. 124
111-9-177	New	V. 31, p. 360
111-9-178	New	V. 31, p. 1442
111-9-179	New	V. 31, p. 1442
111-9-180	New	V. 31, p. 1470
111-9-181	New	V. 31, p. 1471
111-9-182	New	V. 32, p. 132
111-9-183	New	V. 32, p. 133
111-9-184	New	V. 32, p. 354
111-9-185	New	V. 32, p. 355
111-15-1	Amended	V. 32, p. 280
111-15-2	Amended	V. 32, p. 280
111-15-3	Amended	V. 32, p. 280
111-15-5	Amended	V. 32, p. 281
111-15-6	Amended	V. 32, p. 281
111-17-3	New	V. 31, p. 279
111-17-4	New	V. 31, p. 619
111-17-5	New	V. 32, p. 159
111-17-6	New	V. 32, p. 282
111-17-6a	New	V. 32, p. 328
111-201-14	Amended	V. 31, p. 361
111-301-6	Amended	V. 31, p. 658
111-301-32		
through		
111-301-44	New	V. 31, p. 1443-1446
111-401-1		
through		
111-401-50	New	V. 31, p. 389-407
111-401-30	Amended	V. 31, p. 1548
111-401-51		
through		
111-401-118	New	V. 31, p. 427-449
111-401-119		
through		
111-401-166	New	V. 31, p. 528-552
111-401-167		
through		
111-401-171	New	V. 32, p. 160-162

111-401-172		
through		
111-401-177	New	V. 32, p. 302-305
111-401-178		
through		
111-401-194	New	V. 32, p. 329-334
111-501-9	Amended	V. 31, p. 124
111-501-12	Amended	V. 31, p. 659
111-501-14		
through		
111-501-26	New	V. 31, p. 124-129
111-501-35		
through		
111-501-81	New	V. 31, p. 129-146
111-501-61	Amended	V. 31, p. 1549
111-501-82		
through		
111-501-102	New	V. 31, p. 620-628
111-501-103		
through		
111-501-117	New	V. 32, p. 162-167
111-501-118	New	V. 32, p. 306
111-501-119	New	V. 32, p. 167
111-501-120	New	V. 32, p. 167
111-501-121	New	V. 32, p. 167

**AGENCY 115: DEPARTMENT OF
 WILDLIFE, PARKS, AND TOURISM**

Reg. No.	Action	Register
115-1-1	Amended	V. 31, p. 1365
115-2-1	Amended	V. 32, p. 318
115-2-2	Amended	V. 31, p. 1368
115-4-2	Amended	V. 31, p. 425
115-4-4	Amended	V. 32, p. 319
115-4-4a	Amended	V. 32, p. 320
115-4-15	New	V. 31, p. 1368
115-7-3	Amended	V. 31, p. 1370
115-7-10	Amended	V. 31, p. 1370
115-8-1	Amended	V. 31, p. 1370
115-8-2	Amended	V. 31, p. 953
115-8-19	Amended	V. 31, p. 1371
115-8-23	New	V. 31, p. 953
115-8-24	New	V. 31, p. 954
115-9-8	Amended	V. 32, p. 89
115-14-1		
through		
115-14-6	Revoked	V. 31, p. 1142
115-14-8	Revoked	V. 31, p. 1142
115-14-9	Revoked	V. 31, p. 1142
115-14-10	Revoked	V. 31, p. 1142
115-14-11		
through		
115-14-15	New	V. 31, p. 1142-1151
115-14-14	Amended	V. 32, p. 90
115-17-6		
through		
115-17-9	Amended	V. 31, p. 954, 955
115-18-1	Amended	V. 31, p. 1152
115-18-7	Amended	V. 32, p. 320
115-18-18	Amended	V. 31, p. 1371
115-18-22	New	V. 31, p. 1371
115-20-7	Amended	V. 31, p. 956

**AGENCY 117: REAL ESTATE
 APPRAISAL BOARD**

Reg. No.	Action	Register
117-2-2	Amended	V. 31, p. 1066
117-2-2a	Amended	V. 31, p. 1067
117-3-2	Amended	V. 31, p. 1067
117-3-2a	Amended	V. 31, p. 1068
117-4-2	Amended	V. 31, p. 1069
117-4-2a	Amended	V. 31, p. 1070
117-5-2	Amended	V. 31, p. 1070
117-5-2a	Amended	V. 31, p. 1071
117-7-1	Amended	V. 32, p. 226
117-8-1	Revoked	V. 31, p. 1071
117-20-1		
through		
117-20-7	New (T)	V. 31, p. 997
117-20-1	New	V. 31, p. 1248
117-20-2	New	V. 31, p. 1248
117-20-3	New	V. 32, p. 89
117-20-4	New	V. 31, p. 1248
117-20-5	New	V. 31, p. 1248

117-20-6 New V. 31, p. 1248
 117-20-7 New V. 32, p. 89

**AGENCY 129: DEPARTMENT OF HEALTH
 AND ENVIRONMENT—DIVISION OF
 HEALTH CARE FINANCE**

Reg. No.	Action	Register
129-5-1	Amended	V. 31, p. 1248

**AGENCY 130: HOME INSPECTORS
 REGISTRATION BOARD**

Reg. No.	Action	Register
130-2-1	Amended	V. 31, p. 224

**AGENCY 132: KANSAS 911
 COORDINATING COUNCIL**

Reg. No.	Action	Register
132-2-1	New	V. 31, p. 223
132-3-1	New	V. 31, p. 1540
132-4-1	New	V. 31, p. 224

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