AN ACT concerning the Kansas bioscience authority; amending K.S.A. 2011 Supp. 74-99b04, 74-99b08 and 74-99b17 and repealing the existing sections.

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

Section 1. K.S.A. 2011 Supp. 74-99b04 is hereby amended to read as follows: 74-99b04. (a) There is hereby established a body politic and corporate, with corporate succession, to be known as the Kansas bioscience authority. The authority shall be an independent instrumentality of the state. Its exercise of the rights, powers and privileges conferred by this act shall be deemed and held to be the performance of an essential governmental function.

(b) In order to accelerate any and all synergy and opportunities for the growth of the authority, the authority shall be headquartered and establish its principal operation in the county in the state with the highest number of bioscience employees associated with bioscience companies as of the effective date of this act. The exact location of the authority's headquarters and principal operations in such county shall be at the discretion of the authority's board.

(c) The authority shall be governed by an eleven-member board. One member of the board shall be an agricultural expert who is recognized for outstanding knowledge and leadership in the field of bioscience. Eight of the members of the board shall be representatives of the general public who are recognized for outstanding knowledge and leadership in the fields of finance, business, bioscience research, plant biotechnology, basic research, health care, legal affairs, bioscience manufacturing or product commercialization, education or government. Of the nine voting members, five must be residents of the state. The other two members of the board shall be nonvoting members with research expertise representing state universities and shall be appointed by the Kansas board of regents. Nonvoting members shall serve at the pleasure of the board of regents.

(d) Of the nine voting members who will be appointed to the authority's first board, two shall be appointed by the governor for a term of office of four years, two shall be appointed by the speaker of the house of representatives, one of which shall be the agricultural expert as authorized in subsection (c), for a term of office of three years, two shall be appointed...
by the president of the senate for a term of office of three years, one shall
be appointed by the minority leader of the house of representatives for a
term of office of two years, one shall be appointed by the minority leader
of the senate for a term of office of two years, and one member shall be the
secretary of commerce. Members of the first board shall be appointed by
August 1, 2004. No more than three voting members shall be appointed
from any one congressional district. All voting members of the board shall
be subject to senate confirmation as provided in K.S.A. 75-4315b, and
amendments thereto. Any member of the board whose nomination is
subject to confirmation during a regular session of the legislature shall be
deemed terminated when the senate rejects the nomination. No such
termination shall affect the validity of any action taken by such member of
the board before such termination.

(e) Terms of voting members appointed pursuant to this section shall
expire on March 15.

(f) (1) After the expiration of the terms of the authority's first board,
or whenever a vacancy occurs or is announced regarding a voting member
or members of the board, such voting member or members shall be
appointed as described in subsections (c) and (d), except that such
members shall be appointed for terms of four years each. In the event of a
vacancy the appointment shall be for the remainder of the unexpired
portion of the term.

(2) Each member of the board shall hold office for the term of
appointment and until a successor has been confirmed. Any member of the
board is eligible for reappointment, but members of the board shall not be
eligible to serve more than three two consecutive four-year terms.

(g) Except for appointments of nonvoting members, each
appointment shall be forwarded to the senate for confirmation as provided
in K.S.A. 75-4315b, and amendments thereto. Except as provided by
K.S.A. 2011 Supp. 46-2601, and amendments thereto, no person appointed
to the board shall exercise any power, duty or function as a member of the
board until confirmed by the senate. In case of a vacancy when the senate
is not in session, the appointing entity may make a temporary appointment
to the board until the next meeting of the senate. Any person who is
temporarily appointed by the appointing entity to the board shall have all
of the powers, duties and functions as a member of the board during such
temporary appointment.

(h) The board annually shall elect a voting member as chairperson
and at least one other as vice-chairperson. The board also shall elect a
secretary and treasurer for terms to be determined by the board. The board
may elect the same person to serve as both secretary and treasurer. The
board shall establish an executive committee, nominating committee and
other standing or special committees, and prescribe their duties and
powers. Any executive committee of the board may exercise all such
powers and duties of the board as the board may delegate.

(i) Members of the board are entitled to compensation and expenses
as provided in K.S.A. 75-3223, and amendments thereto. Members of the
board attending board meetings or subcommittee meetings authorized by
the board, shall be paid mileage and all other applicable expenses,
provided such expenses are consistent with policies established from time-
to-time by the board and as required by subsection (j).

(j) No part of the funds of the authority shall inure to the benefit of,
or be distributed to, its employees, officers or members of the board,
except that the authority may make reasonable payments for expenses
incurred on its behalf relating to any of its lawful purposes and the
authority shall be authorized and empowered to pay reasonable
compensation for services rendered to or for its benefit relating to any of
its lawful purposes, including to pay its employees reasonable
compensation.

(k) Any member of the board other than a nonvoting member may be
removed by an affirmative vote by six members of the board for
malfeasance or misfeasance in office, regularly failing to attend meetings,
or for any cause which renders the member incapable of or unfit to
discharge the duties of director.

(l) The board shall meet at least four times per year and at such other
times as it deems appropriate, or upon call by the president or the
chairperson, or upon written request of a majority of the directors of the
board. The board may adopt, repeal and amend such rules, procedures and
bylaws, not contrary to law or inconsistent with this act, as it deems
expedient for its own governance and for the governance and management
of the authority. A majority of the total voting membership of the board
shall constitute a quorum for meetings. The board may act by a majority of
those at any meeting where a quorum is present, except upon such issues
as the board may determine shall require a vote of six members of the
board for approval. The board shall meet for the initial meeting upon call
by the member of the board appointed by the secretary of commerce, who
shall act as temporary chairperson until officers of the board are elected
pursuant to subsection (h).

(m) The board shall appoint a president who shall serve at the
pleasure of the board. The president shall serve as the chief executive
officer of the authority. The president's salary shall be set by the board.
The board may negotiate and enter into an employment agreement with the
individual selected as president of the authority, which may provide for
compensation allowances, benefits and expenses as may be included in
such agreement. The president shall direct and supervise administrative
affairs and the general management of the authority.
(n) The board may provide supplemental benefits to the president and other authority employees designated by the board in addition to the benefits provided under this act.

(o) The authority shall continue until terminated by law, except that no such law shall take effect so long as the authority has debts or obligations outstanding, unless adequate provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds and assets thereof shall be vested in the state, bioscience research institutions or both as designated by the board, or any other public institute or private enterprise engaged in the business of bioscience, or any combination thereof, as designated by the board and approved by act of the legislature.

Sec. 2. K.S.A. 2011 Supp. 74-99b08 is hereby amended to read as follows: 74-99b08. (a) No member of the board or any director, employee, other agent or advisor of the authority shall have a direct interest in any contract or transaction with the authority. Any member of the board or director who has a direct interest in any contract or transaction with the authority shall either resign such director's or member's position on the authority or divest such interest. Any member of the board and any employee, other agent or advisor of the authority, who has a direct or an indirect interest in any contract or transaction with the authority, shall disclose this interest to the authority in writing. This interest shall be set forth in the minutes of the authority, and no member of the board, director, officer, employee, other agent or advisor having such interest shall participate on behalf of the authority in the authorization of any such contract or transaction; except that, the provisions of this section shall not be construed to prohibit any employee of bioscience research institutions, or any public institute or private enterprise engaged in the business of bioscience who is a member of the board, who has no direct or personal interest, from voting on the authorization of any such contract or transaction between the authority and such employee's employer.

(b) All members of the board and all officers of the authority shall file a written statement pursuant to K.S.A. 46-247 et seq., and amendments thereto, regarding any substantial interests, within the meaning of K.S.A. 46-229, and amendments thereto, that each director may hold. Any employee, other agent or advisor of the authority who has a substantial interest in any contract or transaction with the authority within the meaning of K.S.A. 46-229, and amendments thereto, shall file a written statement of substantial interest pursuant to K.S.A. 46-247 et seq., and amendments thereto.

Sec. 3. K.S.A. 2011 Supp. 74-99b17 is hereby amended to read as follows: 74-99b17. (a) Except as provided in subsection (b), the authority may, at the election of the board, affiliate with the Kansas public
employees retirement system with respect to any or all employees
employed by the authority on or after the effective date of this act, in
accordance with the provisions of K.S.A. 74-4910, and amendments
thereto. The authority may, at the election of the board, adopt, in
accordance with requirements of the federal internal revenue code, a
retirement plan or plans sponsored by the authority with respect to
employees employed by the authority on or after the effective date of this
act. The authority may, at the discretion of the board, provide death and
disability benefits as provided in K.S.A. 74-4927a and 74-4927g, and
amendments thereto.

(b) The authority's option to affiliate with the Kansas public
employees retirement system pursuant to subsection (a) shall expire on
July 1, 2012. This provision shall not affect any employee of the authority
who was affiliated with the Kansas public employees retirement system on
or before June 30, 2012.

Sec. 4. K.S.A. 2011 Supp. 74-99b04, 74-99b08 and 74-99b17 are
hereby repealed.

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